

ARTICLE 1 PURPOSE AND INTENT

1.01 Purpose

The purpose of this Agreement is to maintain a harmonious relationship between the Company and its Employees; to provide an amicable and equitable method of settling grievances or differences which might possibly arise, and to maintain mutually satisfactory working conditions, hours and wages for all Employees who are subject to the provisions of this Agreement.

1.02 Non-Discrimination

The Union and the Company, including their respective representatives, agree that there shall be no discrimination against any Employee because of race, creed, religion, or sex in compliance with the Human Rights Act of the Province of British Columbia, or because of any legitimate activities related to the Union.

1.03 Definitions

The following definitions shall apply to the terms and references as used in this Agreement:

(a) **Article Headings**

Article Headings" shall be used for purposes of reference only, and may not be used as an aid in the interpretation of this Agreement.

(b) **Employee**

"Employee" means a person who is employed by the Company and who is included in a unit of the Company's operations for whom the Union has been Certified as the Collective Bargaining Agent by the Industrial Relations Council of British Columbia, or is employed in a job classification listed in Appendix "A" of this Agreement and is working at or from any premises operated by the Company in British Columbia.

(c) **Union**

"Union" means the International Association of Machinists and Aerospace Workers, Lodge #692 and/or Teamsters Local Union No. 213. Where the term "Union" is used it shall mean both Unions unless specifically stated otherwise.

(d) **Branch**

"Branch" shall mean the entire operations of the Company at any location or site.

(e) **Department**

"Department" shall mean any division within a Branch, such as the Allison Department or Machine Shop in Surrey.

(f) **Singular and Plural/Gender**

Wherever the male pronoun is used, it shall be deemed to include the female pronoun or vice versa and wherever the singular is used, it shall be deemed to include the plural and vice versa."

ARTICLE 2 BARGAINING AGENT AND DEFINITION

2.01 Bargaining Authority

The Company recognizes and agrees that the Union is the sole bargaining agent for the Employees of the Company employed in the Province of British Columbia as set out in the Certificate of Bargaining Authority, and at any of the premises opened or taken over by the Company in British Columbia.

2.02 Agreement Binding

This Agreement shall be binding on the Company and the Union and their respective successors, administrators, executors and assigns and on each Employee.

2.03 Union Membership

The Company agrees that as a condition of continued employment, all Employees who are or may be covered by the Certificate of Bargaining Authority issued to the Union by the Industrial Relations Council, must become members of the Union from the first day of hire and remain members during the life of this Agreement. It is further agreed that all Employees of the Company working in branches and operations in British Columbia must become and remain members of the Unions as set out above. Should any member covered by the bargaining unit revoke his dues deduction authorization, or refuse to become and remain a member in good standing of the Union, the Company shall upon notification from the union, discharge such Employee.

2.04 Union Dues & Assessments

- (a) All Employees of the Company who are or may be covered by the Certificate of Bargaining Authority issued to the Union by the Industrial Relations Council shall pay the Union, as a condition of employment, dues and Initiation or Reinstatement fees, by payroll deduction, as may from time to time be established by the Union for its members, in accordance with its Constitution and/or Bylaws.
- (b) For each calendar month, the Company shall mail to the union a check-off form, setting out the name of each Employee in the union and the amounts of dues, and initiation or reinstatement fees, which the Employee owes. The Company shall delete any names from such list of Employees who have terminated since the previous list, and shall also add the names of any new Employees.
- (c) In the event an Employee in the Machinists Union is absent in excess of one (1) month and in receipt of Workers' Compensation Benefits, the Company will make and remit the payment required by the Union of five dollars (\$5.00) per month during the Employee's absence and on return to work the Company will make the appropriate deductions from the Employee's subsequent earnings.

2.05 Authorization

All Employees shall be required to sign authorization forms for check-off of union dues, initiation or reinstatement fees, which may be levied by the union in accordance with the Constitution and/or Bylaws. Such check-off shall be irrevocable.

2.06 Payroll Deductions

- (a) The Company shall deduct and pay over to the Secretary-Treasurer of the union, any monthly dues, initiation or reinstatement fees, levied in accordance with the union's Bylaws, owing by said Employees to the union. Monies deducted during any month

shall be forwarded by the Company to the Secretary-Treasurer of the union not later than the 10th day of each following month, with one copy of the check-off list as mentioned above.

- (b) It is further agreed that the Union dues shall be deducted on the first pay period of the month and the pension plan deductions on the second pay period of the month.

2.07 Union Access

An authorized agent of the Union shall have access to the Company 's establishment during working hours for the purpose of adjusting disputes, investigating working conditions and ascertaining that the Agreement is being adhered to. The Union representative will advise the Company upon visiting or entering Company property.

2.08 Company Notices

Copies of all memos sent out by the Company that pertain to the Collective Agreement shall be given to the appropriate Shop Stewards.

2.09 Shop Stewards

- (a) The Employees employed at each location will elect one (1) Union member or more from each shift and each Department who will be known as Shop Stewards or Shop Committee person and in no case shall this Committee be comprised of more than four (4) Employees. The Unions agree to officially notify management of the Employees elected as Shop Stewards, and will also notify them promptly when there is any change in representation.
- (b) No Shop Steward, Committee Person or Employee shall suffer any loss of seniority or employment on account of membership or activity in the Union, provided that such activity does not unduly interfere with the work and production of the Company.
- (c) Shop Stewards will be released from regular work assignments without loss of pay for the investigation of grievances only. To provide a minimum of interference to production, the following rules of conduct will apply:
 - (i) Inform his foreman and/or supervisor of place of grievance.
 - (ii) Upon entering a department of a foreman and/or supervisor, other than his own, he will inform that foreman and/or supervisor that he is investigating a grievance.
- (d) When the Company finds it necessary to lay off a Shop Steward, the Business Representative of the Union shall be notified prior to such layoff or discharge.

2.10 Notice Board

- (a) A Notice Board shall be provided for the posting of all official Union notices exclusively and will not be used for the purposes of disseminating political information. The right is reserved of the Company to request the removal of material offensive to the Company.
- (b) The following information shall be kept in a central location, readily accessible to the Shop Steward:
 - (i) Seniority List, shall be posted on the Notice Board

- (ii) Copy of the current Collective Agreement
- (iii) Welfare Plan provisions

(c) Any Employee requiring such information shall contact the Shop Steward for same.

2.11 No Other Agreements

- (a) The Company agrees not to enter into any agreement or a contract with the Employees covered by this Agreement, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement, or any statute of the Province of British Columbia or Canada.
- (b) The Company agrees that before effecting any wage rate other than those set out in this Agreement it shall first negotiate same with the Union. If agreement cannot be reached it shall be resolved through the Grievance Procedure.

ARTICLE 3 MANAGEMENT RIGHTS

3.01 Union Recognition

The Union recognizes and agrees that:

- (a) The management and operation of the plant and the direction of the working forces are vested exclusively in the Company.
- (b) The Company has and shall retain the right to select its Employees, to hire, classify, promote, demote or discipline them and discharge Employees for proper cause, provided that a claim of discrimination against an Employee in respect to any of these matters, or a claim of violation of any Section or Article of this Agreement, may be the subject of a grievance and be dealt with as hereinafter provided.
- (c) The right to hire Employees of its choice is vested exclusively in the Company, but when the Company requires new Employees, it shall so notify the Union so that the Union may have the opportunity to provide the Company with suitable applicants.

ARTICLE 4 PROTECTION OF RIGHTS

4.01 Legal Picket Lines

It shall not be considered a violation of this Agreement for an Employee to refuse to cross a picket line which has been legally established as a result of a bona fide Labour dispute between a recognized Trade Union and a company with whom the picketing Union has a dispute.

4.02 Other Labour Organizations

The Union reserves the right to render assistance as it deems necessary in particular situations to other Labour organizations.

4.03 Work Retention and Sub-Contracting

- (a) Where the Company's facilities, space and trained personnel are available, the Company shall continue to have all work which is presently performed by Employees of the Bargaining Unit, retained and performed by Employees of the

Bargaining Unit. Where work must be contracted out, the Company shall endeavour, wherever possible, to have such work performed by a Union Shop.

- (b) It is understood and agreed that no Employee actively at work shall be laid off as a direct result of contracting out work presently performed by Employees covered by this Agreement.
- (c) It is further understood and agreed that the provisions of this section shall not apply to the following:
 - (i) work presently or traditionally contracted out by the Company in any of its operations;
 - (ii) layoffs that may occur as a result of a reduction of business or economic conditions.
 - (iii) Compliance by the Company with instructions or directives from an outside vendor or manufacturer beyond the control of the Company.

ARTICLE 5 GRIEVANCE PROCEDURE

5.01 Grievance Procedure

Should a dispute arise between the Company and an Employee or the Union regarding the interpretation, application, operation or any alleged violation of this Agreement, including any question as to whether any matter is arbitrable, it shall be resolved in the following procedural manner:

Step 1

The Employee together with the Shop Steward or the Union Representative shall take the matter up with the Company within thirty (30) calendar days.

Step 2

If a solution is not achieved through Step 1, then a Business Representative of the Union, accompanied by the Employee, if the Employee or Business Representative so wish, shall meet to discuss the matter with the Company within a further fifteen (15) calendar days. If a solution is reached, the decision shall be final.

5.02 Arbitration Procedure

If the matter is not resolved through the procedures set forth in section 5.01 above within seven (7) days of the meeting between the representatives of the Union and the Company, the matter shall be referred to an Arbitration Board in accordance with the following:

- (a) The Party desiring Arbitration shall appoint a member for the Board and shall notify the other Party in writing of the name and address of the person so appointed and particulars of the matter in dispute.
- (b) The Party receiving the notice shall within seven (7) days appoint a member to the Board and notify the other Party of its appointment.
- (c) The two (2) Arbitrators so appointed shall confer to select a third person to be the Chairman. If after three (3) days from the appointment of the second Board Member the two (2) appointees have not agreed upon a person willing to act as Chairman, either Party may apply to the Minister of Labour of the Province of British Columbia to appoint such a Chairman.

- (d) The Arbitration Board shall sit, hear the Parties, settle the terms of the question to be arbitrated, and make its award within ten (10) days from the date of the appointment of the Chairman. The Parties may, however, mutually agree in writing to extend the time provided for the Board to submit its award.

5.03 Arbitration Expenses

- (a) The expenses and remuneration of the Chairman shall be paid by the Parties in equal shares and each Party shall pay the expense and remuneration of their respective appointees.
- (b) The Company agrees that if any grievance proceeds to Arbitration and the Arbitration Board finds in favour of the Union or any Employee(s), then the Company shall pay for all time lost by any Employee(s) for attending such hearing as a witness.

5.04 Jurisdiction of Arbitration Board

- (a) The Arbitration Board shall have the right to modify any penalty imposed by the Company on an Employee. If the award of the Arbitration Board is subsequently set aside by a court of competent jurisdiction, the question shall, at the request of either Party, be submitted to another Arbitration Board appointed pursuant to and with all the powers provided by the provisions of this Agreement.
- (b) Without restricting the specific powers here-in-before mentioned, the Arbitration Board shall have all the general powers of an Arbitration Board.

5.05 Policy Grievance

If either Party to this Agreement claims a violation of this Agreement, the Party claiming the violation, or an authorized agent of such Party, may invoke the Grievance Procedure contained in this Article commencing at Step 2.

5.06 Single Arbitrator

Notwithstanding the provisions contained in section 5.02 above, the Parties may, by mutual agreement, select a Single Arbitrator to hear the matter in dispute. In the event that the Parties do mutually agree to have a grievance heard by a Single Arbitrator, the provisions contained in this Agreement, which bear on the arbitration process, shall be adjusted only to the extent necessary to give effect to the Single Arbitrator process.

5.07 Time Limits

The Parties agree that the time limits referred to in this Article may be extended by mutual agreement.

ARTICLE 6 DISCIPLINE AND DISCHARGE

6.01 Employee Personnel Files

- (a) If any adverse statements are to be put into any Employee's personnel file, a copy of same will be given to the Employee with a copy sent to the Union so the matter may be

grieved if necessary. Such adverse statement shall be deleted from the Employee's file, as set out in subsection (b) below.

- (b) The Company agrees that in the event of an arbitration hearing involving the discipline or discharge of an Employee, any evidence of the Employee's prior disciplinary record must conform with the following:
 - (i) Evidence of dissimilar infractions must be restricted to infractions which occurred within the eighteen (18) months preceding the current alleged infraction.
 - (ii) Evidence of similar infractions must be restricted to infractions which occurred within the thirty-six (36) months preceding the current alleged infraction.
- (c) Any Employee being reprimanded shall have the right to have a Shop Steward present.
- (d) An Employee, or the Business Representative of the Union with the written authority of the Employee, shall be entitled to review the Employee's personnel file on reasonable written notice to the Department Manager.

6.02 Suspension and Discharge

- (a) Any suspended or discharged Employee shall, within seventy-two (72) hours, receive from the Company the reasons for his suspension or discharge in writing and a copy shall be sent to the Union. The seventy-two (72) hours shall be exclusive of Saturdays, Sundays or General Holidays.
- (b) In the event of any dispute or difference as to whether or not there was proper cause for the suspension or discharge of the Employee, only the reasons so set forth in writing shall constitute cause to be argued before an Arbitration Board.

6.03 Reinstatement

- (a) If an Arbitration Board finds (or if at any earlier stage of the Grievance Procedure it is found) that an Employee has been unjustly suspended or discharged, that Employee shall be reinstated by the Company without loss of pay and with all his rights, benefits and privileges which he would have enjoyed if the suspension or discharge had not taken place.
- (b) If the Arbitration Board finds (or if at any earlier stage of the Grievance Procedure it is found) that a former employee should have been rehired, that former employee shall be rehired by the Company and paid all pay and accorded all rights, privileges and benefits which he would have enjoyed if he had been rehired at the proper time.
- (c) If it is substantiated through the Arbitration Process that an Employee has been in receipt of wages during the period between suspension or discharge and reinstatement, or date of failure to rehire, and rehiring, the amount so received shall be deducted from wages payable by the Company pursuant to this provision, less any expenses which the Employee incurred in order to earn the wages so deducted.
- (d) An Arbitration Board shall have authority to order the Company to pay less than the full amount of wages lost, if circumstances are established before it, which in the opinion of the Arbitration Board makes it just and equitable to do so.

ARTICLE 7 SENIORITY

7.01 Seniority Lists

- (a) The Company shall provide the Union and the Shop Stewards with an up-to-date list of all Employees covered by this Agreement every six (6) months. The Seniority List shall show the date when each Employee commenced employment with the Company. The Company will supply separate lists to the Service Department and to the Parts Department.
- (b) Where layoffs or rehiring for either Union are not in strict accordance with the seniority list, the Shop Steward and a Business Representative of the Union shall meet with the Company to discuss any dispute under the provisions of the Grievance Procedure as set out in Article 7 of this Agreement.

7.02 Probation Period

When a new Employee is hired, it is agreed that such Employee shall be on probation for a period of ninety (90) working days and during this period seniority will not be applicable. The Company shall evaluate the Employee's performance at the end of each thirty (30) working days during this period. When the probationary period is completed, seniority will commence from the date of hiring. The Parties hereto may, however, mutually agree to an extension of the probationary period in individual circumstance.

7.03 Continuation of Seniority

- (a) During an authorized leave-of-absence, seniority shall be maintained and accumulated for a period not exceeding six (6) months, but shall only be maintained and not accumulated beyond six (6) months.
- (b) Seniority shall be maintained and accumulated during an Employee's absence due to an occupational accident. Seniority shall also be maintained and accumulated during a temporary illness or non-occupational accident up to twenty-six (26) weeks. Following the twenty-six (26) week period seniority shall be maintained but not accumulated.
- (c) If a laid-off Employee is called back to work with the Company within the right to recall period, there shall be deemed to have been no break in such an Employee's continuous service with the Company by reason of such layoff.
- (d) A laid-off Employee shall retain seniority and recall rights with the Company in accordance with the following:
 - (i) less than two (2) years of service - six (6) months following date of layoff;
 - (ii) two (2) or more years of service but less than ten (10) years - twelve (12) months following date of layoff.
 - (iii) ten (10) years or more - eighteen (18) months following the date of layoff.

7.04 Loss of Seniority

An Employee's seniority with the Company shall be broken by:

- (a) Voluntary termination.
- (b) Exceeding an authorized leave-of-absence, unless for legitimate cause.
- (c) Failure to report back to work within three (3) days after notification to return to work unless failure proved to be unavoidable.
- (d) Discharged and not reinstated under the terms of this Agreement.

7.05 Branch Closures

- (a) In the event that the Company decides to close or sell a branch, then the closure or sale will be discussed with the Unions in order to determine the rights of the affected Employees prior to the branch being closed or sold.
- (b) If the Parties do not agree on the question of the rights of the Employees, the matter may be referred to Arbitration.

7.06 Layoff and Recall

(a) **Layoff Notice**

Employees who are to be laid-off shall be notified by the Company one (1) week in advance of the intended layoff. When such notice is provided the weekly guarantee referred to in Article 11, subsection 11.02 (a) and (b) shall not apply.

- (b) The provisions of this section shall not apply in the case of a shutdown necessitated by conditions beyond the control of the Company, such as Acts of God or interruption of necessary services.

(c) **Recall**

- (i) Where vacancies occur during a layoff, the Company shall recall laid-off Employees according to the principal of last man off, first man on, based on ability, and seniority to perform the work available in their classification and Department.
- (ii) An Employee who has been laid off and wishes to be recalled must insure that the Company has a current phone number and address for purposes of recall. Failure on the part of the Employee to provide this information may result in the Employee forfeiting recall rights
- (iii) The Company agrees that recall notification will be by direct contact, including personal contact, telephone contact or registered mail. Any Employee failing to report for work on the date specified in the notification, subject to the provisions of Section 7.04 (c) of this Article, shall be considered to have resigned without notice.
- (iv) In circumstances where the work requirements which require a recall cannot be delayed and the most senior person entitled to recall cannot be contacted, the Company can recall the next Employee on the recall list who is available. This Employee can be used for the balance of the work week in which recalled, and for any subsequent full work week, until the more senior Employee responds to the recall and indicates that he will return on the next Monday. Should it be necessary to use this process, the Company will immediately advise the Union of the action taken.

- (v) In the event an Employee is recalled for less than forty (40) hours, the provisions of subsection 7.06 (a) above shall not apply. It is, however, agreed that an Employee may refuse such a recall and the refusal will not affect the Employee's future right to recall.

7.07 Layoff Procedures

In order to maintain manpower stability within Departments in the event of a layoff, Company seniority within the affected department shall be recognized and apply to all layoffs in accordance with the following:

1. Machinists Union

- (a) Within the affected Department and classification, a layoff shall be on the basis of qualifications and Company seniority.
- (b) An Employee who is to be laid off can use his Company seniority to bump another Employee within the same branch who has less Company seniority, subject to the following conditions:
 - (i) Company seniority can only be used to bump the Employee in the same classification with the least seniority or an Employee in any lower classification with the least seniority. Where the Employee being laid off is required to bump an Employee in a specialized product line, and the bumping Employee is not qualified to perform that work, such Employee may bump the most junior Employee whose seniority is above the specialized product line category.
 - (ii) The Employee who exercises the right to bump must accept the rate of pay applicable to the job position bumped into.
 - (iii) Any Employee who relies on his Company seniority as protection against layoff must be capable of efficiently performing the work for which he is retained. It is not the Company's obligation to train a senior Employee to perform job tasks already being efficiently performed by other Employees. The senior Employee must have the ability at the time of the layoff.
 - (iv) The Employee must demonstrate within a maximum of ten (10) working days that he can achieve and maintain the flat rate times applicable to the work in the job position into which he bumps. In the event that he cannot achieve and maintain the flat rate times, he can be required to go on layoff and the Company can recall the less senior Employee who was bumped.
 - (v) An Employee who has failed to achieve and maintain the flat rate times in a job position cannot use his seniority in future layoffs to bump into the same job position again, unless such Employee can demonstrate the ability to perform the available work.
 - (vi) Prior to commencing the ten (10) working day period the Employee shall be given a reasonable demonstration of the job tasks to be performed, how to perform them and a clear explanation of the performance standards to be satisfied.

- (vii) In the event that the Employee cannot achieve and maintain the flat rate times, such Employee can be required to go on layoff and the Company can recall the less senior Employee who was bumped.
- (viii) Bumping from branch to branch is not permitted.

2. Teamster Union

Layoffs within the Parts Department shall occur as follows:

- (a) The Company shall determine the location at which a layoff is necessary.
- (b)
 - (i) In the event of a layoff, an Employee is eligible to bump the most junior Employee still working throughout all Parts operations within British Columbia. This is dependent upon the Employee's ability to perform the work available.
 - (ii) An Employee posted to the position of a Working Foreman in all Branches, except Surrey, cannot be bumped regardless of seniority. In Surrey the Working Foreman can only be bumped by a Partsman with a minimum of five (5) years experience.
- (c) All bumps will be temporary in nature, however, any transfer resulting from a bump will be permanent until the Employee is recalled to the original parts operation, or bumped.
- (d) An Employee who has bumped must return to his original Parts operation when recalled. The Employee will be guaranteed a minimum of two (2) weeks work as a result of the recall from a bumped position. This shall not preclude this Employee from again exercising his bumping rights at a later date.
- (e) All expenses, including living and moving associated with a bump, are the sole responsibility of the Employee.
- (f) An Employee leaving a bumped position into which he has bumped, prior to Company recall to his original Parts operation, will be deemed to have resigned. This provision shall not apply where the Company determines the Employee is incapable of performing an adequate job. In such cases the Employee will be laid off, placed on recall and forfeit all subsequent bumping rights during that period of layoff.
- (g) If an Employee who has been bumped resigns, that position will be posted only after the bumping Employee has been recalled to his original Parts operation.
- (h) If an Employee is recalled to his original Parts operation the resulting vacancy shall be filled by the laid off Employee at that location.
- (i) The Company may elect not to recall an Employee when covering work periods for up to three (3) weeks in length. The procedure to handle this coverage shall be as follows:
 - (i) All laid off Employees shall be asked in order of seniority whether or not they will accept a temporary position and pay their own expenses.
 - (ii) If no Employee accepts, they shall again be asked in order of seniority if they will accept the temporary position with the Company paying the normal expenses.

- (iii) If no Employee accepts under either of the above conditions, the most junior Employee capable of performing the tasks required must take the job. Normal expenses will be paid by the Company. Should the Employee refuse, this will be deemed as a resignation.
- (j) An Employee may exercise his option to bump on notification of layoff or during the two (2) week period immediately following a layoff. In the event the Employee's decision to bump requires relocating to another Company location, such Employee may also exercise the right to bump during the week following five (5) months of layoff.
- (k) There shall be a mandatory waiting period equal to the required layoff notice in 7.06 (a) before an Employee returns to work if the Employee bumps during the three (3) week period following notification of layoff, or during the week following five (5) months of layoff. It shall be the Employee's responsibility to contact the Company.
- (l) An Employee bumped, during the three (3) week period referred to in (k) above, or following the five (5) month period referred to in (k) above, shall be given the required notice in accordance with subsection 7.06 (a) of this Agreement.
- (m) Once an Employee decides to bump and so informs the Company, his decision cannot be reversed.
- (n) It is also agreed that each Employee shall be given, upon layoff, a form outlining his rights and obligations should he exercise his rights to bump.
- (o) The principle of last man on, first man off shall prevail if the senior Employee to be retained can perform the work required.

ARTICLE 8 TECHNOLOGICAL OR PROCEDURAL CHANGES

8.01 Introduction and Notice

- (a) In the event the Company proposes the introduction of technological change that will result in a reduction of Employees, or substantially change the work performed by Employees, the Company shall advise the Union and the affected employees a minimum of ninety (90) days prior to the introduction of such change.
- (b) Where the Company gives notice of the technological change, and such change will alter the work performed by Employees or result in a reduction of Employees, the Company and Union shall meet as soon as possible to discuss and review the effect of such change.

8.02 Seniority Rights

Employees whose jobs are affected by the introduction of Technological Change or new equipment shall be eligible to exercise their seniority rights in the event of a layoff in accordance with Article 7 of this Agreement.

8.03 Job Posting and Training

- (a) Where new jobs are created as a result of the introduction of technological change or new equipment, the Company shall post such jobs in accordance with the provisions of Article 9 of this Agreement.

- (b) Where training is required as a result of the introduction of technological change or new equipment the Company agrees to give first opportunity to existing Employees for such training provided the employee has the basic skills necessary to perform the work available.

8.04 Loss of Employment

In the event of loss of employment as a result of the introduction of technological change or new equipment, the affected Employee shall be eligible for severance pay in accordance with the provisions of Article 14, subsection 14.09 (b).

8.05 Technological Change Definition

“Technological Change” for the purposes of this Agreement means:

- (a) the introduction by the Company into the workplace, undertaking or business of equipment or material of a different nature or kind than that previously used by the Company in the workplace, undertaking or business, or
- (b) a change in the manner, method or procedure in which the Company carries on the work, undertaking or business that is related to the introduction of that equipment or material,
- (c) it is, however, agreed that “technological change” does not include normal layoffs resulting from a decrease in the amount of work to be done.

ARTICLE 9 JOB POSTING

9.01 Job Posting Procedure

- (a) In the event that any job becomes vacant or a new job is created or new equipment is installed in the Bargaining Unit, the Company shall post a notice on the Bulletin Board in Surrey, plus send a copy to each Branch. The head Shop Steward in Surrey and Shop Stewards in each Branch shall receive a copy notifying that a vacancy exists in a particular job.

It is understood and agreed that where there is no requirement for additional personnel, but simply a transfer of personnel within a Branch, the Company shall meet with a Business Representative of the Union to discuss the matter and agree on the appropriate job posting procedure.

- (b) Employees desiring such job shall apply, in writing, within ten (10) working days of such posting, except that Employees on vacation or out of town on work for the Company at such time shall have the right to apply when they return. The senior Employee applying who has the ability to do the job, subject to the provisions of Article 8 of this Agreement, shall receive the job.
- (c) If no applications are received within ten (10) working days then the Company shall be entitled to hire from elsewhere. However, after a three (3) month period if the position has not been filled, the position must be reposted before a new Employee is hired.
- (d) The Company shall reply to all written applications to Employees who have applied for job postings in writing.

- (e) Any Employee who changes classification, location or position within the Bargaining Unit, as a result of job posting, shall be allowed a reasonable period of trial of up to one hundred and thirty-two (132) days of actual work. If the Employee is found unsatisfactory by the Company at any time during this period, or the Employee finds the job unsatisfactory, the Employee shall be returned, or given the opportunity of returning, to the former position held without loss of seniority.

9.02 New Jobs

- (a) When new jobs are available, wherever possible, the Company will make such jobs available to existing Employees on the basis of seniority, provided they have the qualifications and ability to perform the duties required.
- (b) The provisions of subsection 9.01 (e) shall also apply to an Employee accepting a new job.

9.03 Promotions - Outside Bargaining Unit

An Employee shall receive a six (6) month trial period if promoted to a position outside the Bargaining Unit, except that the trial period shall be extended to twelve (12) months if the Employee is promoted into sales. The affected Employee shall maintain seniority during such trial period. The six (6) month period may be extended by a further six (6) month period on request of the Employee and approval of the Company, and if granted seniority shall be maintained during such extension. The extension will not be approved where it adversely affects the Employee filling the promoted Employee's position.

9.04 Parts Department

- (a) All vacancies shall be posted so that any Employee within the Department, regardless of seniority, may apply for such vacancy.
- (b) The senior Employee applying for the vacancy shall be given a reasonable period of trial, in accordance with the provisions of subsection 9.01 (e) of this Article, to determine the Employee's ability to perform such job.
- (c) The Company reserves the right to reject applicants to the Partsman category if their past skill, proficiency or performance was not satisfactory.
- (d) It is understood and agreed that the Company may place Partsman in any area within the Department to perform duties as a Partsman on a "where needed as needed" basis. However, on any replacement lasting more than three (3) weeks senior Employees shall have the right to decline the relocation and the least senior Employee capable of performing the work shall be assigned to the job.

9.05 Temporary Transfers

Temporary transfers shall be for no longer than sixty (60) working days, after which the job shall be posted. There shall be no temporary transfer to a department where an employee is laid off. The period of time for a temporary transfer may be extended by mutual agreement of the Company and the Union, which shall not be unreasonably withheld.

ARTICLE 10 WORKING CONDITIONS

10.01 Foremen/Supervisors

- (a) Employees shall only take direction from their respective Working Foremen, Charge Hand, or Lead Hand or from the appropriate Manager when such personnel are not immediately available.
- (b) No non-bargaining unit personnel will be allowed to use hand tools or carry out work which would be normally done by Employees in the Bargaining Unit, except in the instructing or training of Employees.

10.02 Absenteeism

Employees will not absent themselves from work without advising Management. Employees will not leave work during working hours without permission. Failure to obtain permission shall be cause for dismissal. Lunch period is excepted.

10.03 Moonlighting

- (a) The Company and the Union agree in principle to eliminate the practice commonly known as "moonlighting".
- (b) The term "moonlighting" for the purpose of this Agreement shall refer to an Employee who regularly makes a practice of working for two (2) or more Employers and shall also refer to Employees who take employment of any sort during their annual vacation.
- (c) When this practice affects the Company's business or the Employee's ability to perform his job, it shall be cause for reprimand in the first instance and dismissal on the second instance.
- (d) When this practice affects the Union, the Company agrees to cooperate with the Union in reprimand in the first instance and dismissal on the second instance.
- (e) The Company agrees with the Union that no person who works full time on any other job will be hired.

10.04 Bonding

If, at any time, the Company requires an Employee to be bonded by an individual bond, the cost of such bonding shall be assumed by the Company. An Employee shall not fill out the required bonding application form until such application form has been sanctioned by the Union.

10.05 Company Products

An Employee employed by the Company shall not work on any products handled or serviced by the Company without the direction and approval of the Company. An Employee who contravenes this provision may be subject to immediate dismissal.

10.06 Company Facilities

- (a) The Company shall provide and maintain clean, sanitary washrooms having hot and cold running water and proper hand cleanser and towels in sufficient quantity, with toilet facilities. Employees will cooperate by observing the simple rules of cleanliness.

- (b) Waterless hand cleaner shall be supplied at all mechanical operations covered by this Agreement.
- (c) The Company will supply suitably enclosed heated accommodation where Employees may have their lunch.
- (d) The Dynamometer Shop shall be properly ventilated by means of suction fans and ducting and doors are to remain closed, where safety is not compromised, while testing is in progress. Differences that may arise with respect to the application of this provision will be immediately referred to the Safety Committee.
- (e) With the cooperation of Employees, the Company will attempt to maintain the shop temperature above fifty degrees Fahrenheit (50°F) during cold weather. The Company agrees not to require its Employees to perform outside repair work in temperatures below twenty degrees Fahrenheit (20°F), unless adequate protection and some form of heat is provided. Tarpaulins, windbreaks, etc., shall be erected before commencement of work and heat must be made available.

NOTE: It must be recognized that an understanding of this nature requires a high degree of cooperation between Employees and the Company. Employees will not arbitrarily stop work without advising their Supervisors.

10.07 Temporary Employees

- (a) The Company may hire temporary Employees, provided there are no regular Employees on layoff, for vacation relief and/or temporary replacement of Employees absent as a result of illness, injury, leave of absence or banked overtime.
- (b) Temporary Employees shall be hired for a minimum of one (1) week but shall not exceed a maximum period of temporary work of one hundred and thirty-two (132) days of actual work. The Company may also hire Temporary Employees for less than one (1) week, with mutual agreement of the Union, which agreement shall not be unreasonably withheld.
- (c) Temporary Employees shall be subject to and entitled to all of the terms and conditions of the Collective Agreement, except the Dental Plan and Retirement Savings Plan referred to in Article 20. All overtime with respect to the temporary position shall first be offered to regular Employees, except that temporary Employees may be permitted to work unscheduled overtime to complete specific work in progress from time to time.
- (d) On completion of the work available the temporary Employee shall be terminated without the right of recall.
- (e) In the event a temporary Employee is accepted for a full-time position, during the term of a temporary assignment, such Employee's seniority shall commence on the last date hired as a temporary Employee.
- (f) It is understood that employment opportunities for temporary positions, as referred to in this section, shall be based on ability and physical capability to perform the work available.

Positions will be filled in the following sequence:

- (i) retired employees, then

- (ii) the Union halls of both Unions will be contacted to obtain an out-of-work available member, then
- (iii) the Company will hire from outside sources.

ARTICLE 11 HOURS OF WORK AND PREMIUM PAY

11.01 Standard Work Day/Week

- (a) The standard work day shall consist of eight (8) hours and the Standard work week shall consist of forty (40) hours, Monday to Friday inclusive.
- (b) The Company shall advise Employees, in writing, a minimum of forty-eight (48) hours in advance of any change in starting times and any such change shall be for a minimum period of one (1) week.

11.02 Weekly/Daily Guarantee

- (a) An Employee who reports for work at the start of the standard work week shall be guaranteed full pay for the balance of the standard work week less any time deducted for being late.
- (b) An Employee recalled at any time during the standard work week shall be guaranteed full pay for the balance of the standard work week, including a full day's pay for the day of call-in.
- (c) If an Employee of his own volition does not report for his regular shift or shifts or portion thereof then his weekly minimum five (5) day shift pay base shall be reduced to the number received by subtracting the number of shifts missed from the standard five (5) days.
- (d) The weekly guarantee of forty (40) hours does not apply to a new Employee during his first twenty-two (22) days actually worked, or part thereof, or any Employee who is unable to start or to complete the work week because of sickness or accident. Such Employees shall only receive pay for the days worked.
- (e) In any week in which a General Holiday falls, Employees will not receive more than five (5) days' pay, unless such General Holiday falls on a non-working day or if the Employee works on such General Holiday.
- (f) The provisions of this Section shall not apply if an Employee voluntarily quits, or is discharged for proper and sufficient cause.
- (g) The provisions of this section, and subsection 7.06 (a) shall not apply in the case of a shutdown necessitated by conditions beyond the control of the Company, such as Acts of God or interruption of necessary services.

11.03 Daily Guarantee

The following shall apply to an Employee who has not been advised not to report for work and who reports to work for a regular shift and the provisions of subsection 11.02 (g) of this Article are applied:

- (a) if no work is available the Employee shall be paid two (2) hours pay at the Employee's regular straight time hourly rate of pay, or

- (b) if the Employee commences work and works less than four (4) hours, and no further work is available, the Employee shall be paid four (4) hours pay at the Employee's regular straight time hourly rate of pay, or
- (c) if the Employee commences work and works in excess of four (4) hours, and no further work is available, the Employee shall be paid eight (8) hours pay at the Employee's regular straight time hourly rate of pay.

11.04 Lunch Period

- (a) Each shift shall have a half-hour lunch period at mid-shift. The meal period shall be mutually arranged by the Company and the Union.
- (b) Where an Employee is required to work through the regular established half-hour lunch period, such Employee shall be paid the applicable overtime rate and be allowed reasonable time off to consume a meal with no loss of pay.

11.05 Paid Rest Breaks

- (a) An Employee shall be granted a ten (10) minute paid break during each half of his shift.
- (b) The following provisions shall apply to coffee breaks and lunch periods when an Employee is working overtime following the end of his regular shift:
 - (i) A ten (10) minute rest break at shift end.
 - (ii) If more than two (2) hours of overtime is worked, a paid thirty (30) minute lunch break will be provided at straight time.
 - (iii) If more than four (4) hours overtime is worked, an additional ten (10) minute rest break will be provided.
 - (iv) If more than six (6) hours overtime is worked, an additional paid thirty (30) minute lunch break will be provided at straight time.
- (c) The cycle contained in subsection (b) shall continue for additional two (2) hour periods.
- (d) Where an Employee is working off the Company's premises, the ten (10) minute rest breaks shall be increased to fifteen (15) minutes.

11.06 Cleanup Time

Mechanical Employees shall be allowed a maximum of five (5) minutes personal cleanup time prior to the end of each shift. This provision shall also apply to Parts Department Employees where required.

11.07 Shifts

The following shifts and hours of work shall apply, as necessary, to meet the requirements of the business:

- (a) Day Shift
Afternoon Shift
Night Shift
Tuesday to Saturday Shift - (days and/or days and afternoons only)

- (b) The above shifts, except the Afternoon and Night Shifts, shall be for a duration of eight and one-half (8 1/2) hours, including a one-half (1/2) hour unpaid lunch break. The Afternoon and Night Shifts and the Saturday on the Tuesday to Saturday Shift shall be for the same duration, but shall include a one-half (1/2) hour paid lunch break.
- (c) In the event there is a requirement for shifts, other than that referred to in this Article, the Company agrees it will not introduce such a shift without prior discussion and agreement with the Union.

11.08 Alternate Shift Schedules

Amend the following subsection as noted:

(a) Tuesday to Saturday Shift

- (i) The standard work week on such shifts shall consist of forty (40) hours on the day and/or afternoon shift, Tuesday to Saturday inclusive. Sundays and Mondays shall be regular days off, and any work performed on such days off shall be paid at overtime rates as provided for in this Agreement.
- (ii) There will be no Night Shift scheduled on the Tuesday to Saturday shift in the Mechanical or Parts Department.
- (iii) On Saturday only, the time for the lunch period, in the Parts Department only, will not be specified, and lunch will be taken as and when the work requirements permit.

(b) Sunday to Wednesday Shift

- (i) The standard work week shall consist of forty (40) hours on the Day and/or Afternoon Shift, Sunday to Wednesday inclusive. Thursday, Friday and Saturday shall be regular days off, and any work performed on such days, or work in excess of the standard ten (10) hours per day, or work performed on a General Holiday, shall be paid at overtime rates as provided for in this Agreement.
- (ii) There will be no Night Shift scheduled on the Sunday to Wednesday shift in the Mechanical or Parts Department.
- (iii) Where a General Holiday is not worked, and it falls on a regular working day, an Employee shall be paid ten (10) hours pay for such Holiday. If a General Holiday falls on an Employee's scheduled day off, such Employee may elect to be paid eight (8) hours for such Holiday or elect to take another day off with ten (10) hours pay.
- (iv) The above shifts, except the Afternoon and Sunday shifts, shall be for a duration of ten and one-half (10 1/2) hours, including a one-half (1/2) hour unpaid lunch break. The Afternoon and Sunday shifts shall be for the same duration, but shall include a one-half hour (1/2) paid lunch break.
- (v) Application of this subsection shall only apply to Employees hired subsequent to April 1st, 1998 and to Employees hired prior to that date on a voluntary basis.

11.09 Shift Times

- (a) A shift which commences from 7:00 a.m., but not later than 9:30 a.m., shall be considered a day shift.
- (b) A shift commencing after 9:30 a.m. and prior to 6:00 p.m. shall be considered an afternoon shift.
- (c) A shift commencing after 6:00 p.m. and prior to 7:00 a.m. shall be considered a Night Shift.
- (d) In order to accommodate the half-hour lunch break, and accommodate customers until 6:00 p.m., the Company may institute a shift commencing at 9:30 a.m. and ending at 6:00 p.m.

11.10 Change of Shift

- (a) The Company shall give the Employees forty-eight (48) hours notice prior to changing of shifts.
- (b) When it is necessary for an Employee to be transferred from one shift to another shift, the shifts will continue for a minimum of three (3) consecutive normal working days, or overtime rates as provided for in this Agreement will apply.
- (c) Subsections (a) and (b) above shall not apply to work the Company obtains through the B.C. Ferry Corporation.

11.11 Shift Work Rotation

- (a) Employees may be scheduled to work shifts on a rotation basis, based on the requirements of the Department. An Employee who is assigned to a rotating shift shall not be required to remain on such shift for more than thirty (30) working days before the next rotation occurs.
- (b) The above provision shall not apply to an Employee posting to a position with a fixed shift. However, an Employee who remains in such position for a minimum of one (1) year, or bumps into a fixed position, can give the Company thirty (30) days notice to be reassigned to a rotating shift. A fixed shift is defined as a shift where there is no rotation between other shifts, and all such shifts shall be posted within the Department and/or Branch.

11.12 Shift Premiums

- (a) The following premiums shall apply to Employees working shifts and shall be added to the Employee's regular rate of pay and paid for all hours worked on such shifts:

Effective March 1, 2000

| | |
|---------------------|--------------|
| Day Shift | 0¢ per hour |
| Afternoon Shift | 60¢ per hour |
| Night Shift | 80¢ per hour |
| Tuesday to Saturday | 40¢ per hour |
| Sunday to Wednesday | 55¢ per hour |

- (b) The above shift premiums shall be added to an Employee's regular rate of pay prior to calculating overtime rate.

11.13 Rest Between Shifts

- (a) It is intended that every Employee shall have eight (8) hours rest between shifts. In the event an Employee is recalled to work before the elapse of eight (8) full hours, he shall be paid appropriate overtime rates for work performed after recall.
- (b) No Employee shall be permitted to resume work on his own accord until eight (8) full hours have elapsed.
- (c) Clarification: Employees working after midnight reporting for work next shift after an eight (8) hour break will not lose the time taken from the shift to make up the eight (8) hour break.

11.14 Guild Premiums

(a) **Definition**

The Guilds, as referred to herein, shall be defined as follows:

- Mechanics - Detroit Diesel Craftsman Guild
- Allison Transmission Guild
- Partsmen - Detroit Diesel Partsman Guild
- Allison Transmission Partsman Guild

(b) **Premium Rates**

All Employees who pass the Detroit Diesel Guild(s) and-or the Allison Transmission Guild(s) examination(s), and maintain their standing in the respective Guild(s), shall receive a premium, in addition to their regular rate of pay for all hours paid, excluding Sick Leave as referred to in Article 19 of this Agreement:

- One (1) Guild - 20¢ per hour
- Two (2) Guilds - 30¢ per hour

The Guild Premiums contained in this provision shall not be included in an Employee's regular earnings. Such Premiums shall be paid annually on or before December 15th of each year.

11.15 Workplace Accidents

- (a) An Employee involved in an accident while on the job shall receive eight (8) hours pay at the Employee's classified rate for the day of the accident.
- (b) If an Employee is required to take time off work to consult a doctor, with regard to any compensable injury incurred at work, the Employee shall be paid for such time off, provided a doctor's letter or note is supplied and the Employee returns to complete the days work, if practical.

ARTICLE 12 OVERTIME & RATES OF PAY

12.01 Overtime Voluntary

All overtime shall be on a voluntary basis. However, in order to bring about a stabilization of employment and to provide Employees with a greater degree of job security, the Company agrees wherever feasible to eliminate overtime.

12.02 Daily Guarantee

Where an Employee, at the request of the Company, performs work at overtime rates, such time will be considered overtime only, and will not be included in the computation of the Employee's daily guarantee as provided under this Agreement.

12.03 Calculation of Time Worked

- (a) Without detracting from the minimum overtime hours worked and/or minimum overtime pay guarantees, as provided in this Agreement, when an Employee works overtime, his time worked shall be calculated on a fifteen (15) minute unit basis. If an Employee works any part of a fifteen (15) minute unit, he shall receive credit for time worked for that full fifteen (15) minute unit.
- (b) If the Company has a time clock and when an Employee works overtime his time worked shall be calculated on a ten (10) or twelve (12) minute period depending on time clock calibration. If an Employee works any part of a ten (10) or twelve (12) minute unit, he shall receive credit for time worked for that full unit.

12.04 Overtime Premium Rates

All overtime worked shall be paid for at the following rates of pay:

(a) **Double Time:**

- (i) For all hours worked outside the standard daily hours, established shift hours and/or the standard work week.
- (ii) For all hours worked on a Saturday (except for Employees scheduled to a Tuesday to Saturday shift) or Sunday (except Employees scheduled to a Sunday to Wednesday shift), or on any General Holiday or any day observed as such under the terms of this Agreement. This double time is in addition to any General Holiday pay an Employee may be entitled in accordance with Article 15 of this Agreement.

(b) **Triple Time:**

In the event an Employee is required to work a shift in excess of twenty-four (24) consecutive hours straight with no shift break, the Employee will be compensated at triple time for all consecutive time worked in excess of twenty-four (24) hours, provided that the Employee has the prior approval of the Company. In the event that the Employee cannot contact the Company representative in order to obtain prior approval, the Employee may act on the written approval of the customer.

12.05 Call-Outs

- (a) Employees called in before their regular starting time shall be paid at the rate of double time for all time worked prior to their regular starting time.
- (b) Employees called back to work after their regular shift shall receive a minimum of two (2) hours pay at double time rates.

- (c) Employees called in to work on a Saturday, (except as provided for in Article 11, Section 11.08 herein), Sunday or General Holiday shall receive a minimum of two (2) hours pay at double time rates.
- (d) Hours worked in excess of the minimum guarantees referred to in (b) and (c) shall also be paid at double time rates.

12.06 Standby

- (a) A Standby payment of seventy-five dollars (\$75.00) per week, and twenty-five dollars (\$25.00) for each General Holiday, shall be provided to a Mechanical Department Employee scheduled for standby and who is not required to make any trips to the shop or workplace. A Parts Department Employee on standby, who is not required to make any trips to the workplace, shall be paid a payment of seventy-five dollars (\$75.00) per week, and twenty-five dollars (\$25.00) for each General Holiday.
- (b) A Mechanical Department Employee on standby shall be paid forty dollars (\$40.00) each time it is necessary to organize a job that requires the dispatch of other Mechanical Employees.
- (c) Standby will be on a rotating basis
- (d) If not on Standby the overtime provisions of Article 12 apply.
- (e) Mechanical Department - Standby Call-out:

Mechanical Department Employees who are called out will receive a minimum of two (2) hours pay at overtime rates as per Article 12, Section 12.05.

- (f) Parts Department - Standby Call-out:
 - (i) Parts Department Employees on standby required to make a trip or trips to the workplace, will receive seventy-five dollars (\$75.00) per trip to cover all expenses, plus thirty-one cents (31¢) per kilometer or fifty cents (50¢) per mile for mileage traveled in relation to the call, with a minimum payment based on ten (10) miles.
 - (ii) In addition, an Employee on call out that works more than one (1) hour, will receive the applicable overtime rate for all time worked in excess of the one (1) hour. The one (1) hour work time does not include time required to travel to and from the work place.

12.07 Meal Allowances

- (a) Employees who work beyond ten (10) hours per day, or beyond twelve (12) hours per day in the case of ten (10) hour shifts, shall receive a maximum of one-half (1/2) hour's pay for time off to eat a meal, at the straight time rate. If an Employee feels that he requires additional time off, without pay, he will request such additional time from the Foreman and if the request is reasonable, the Foreman shall grant same. This break shall occur at the regular meal time.
- (b) The Company shall pay a meal allowance of fourteen dollars (\$14.00) per meal. No receipts will be required.
- (c) When overtime is worked on an unscheduled basis and an Employee is entitled to an overtime meal, the Company will grant a cash advance of fourteen dollars (\$14.00)

for the meal, provided that the Employee requests the advance before the end of the business day.

- (d) When training sessions are to be held after the regular hours of work the Company shall supply a meal to those Employees involved.

12.08 Customer Requirements

- (a) In circumstances where, as a condition of purchase, a customer requires the Company to provide on-sight services according to the straight time hours of work, work week, and work schedules which match those of the customer's own forces, the Company can assign such straight time to Employees by this, notwithstanding any other provisions of this Agreement.
- (b) Where such working hours, work week, or work schedules are required, the Company shall provide the Union with notice in advance of the work being performed, along with written proof of the requirement being specified by the customer.
- (c) The Company will not make assignments under this provision without prior consultation with the Union.

12.09 Parts Department Overtime Rotation

All overtime in the Parts Department shall be allotted on the basis of a rotation system. The allotment of overtime system will be recorded by the Parts foreman, who will log the number of hours each person works and for each person who has not worked but who was given the opportunity to work based on the rotation system.

ARTICLE 13 BANKED TIME

13.01 Banked Overtime

Employees may elect to bank overtime hours worked in accordance with the following:

- (a) Employees electing to bank overtime must advise the Company in writing on or before January 15th of each calendar year of their request to bank overtime for that calendar year. Employees may change their election to bank overtime at six (6) month intervals by providing the Company written notice of the request for change.
- (b) Overtime hours worked may be split, by the Employee taking straight time pay for each overtime hour worked and banking the remainder, or overtime hours may all be banked, in accordance with the provisions of this Article.
- (c) All overtime banked by an Employee shall exclude all other premiums, including shift premiums, and such premiums applicable to the overtime hours worked will be paid to the Employee at the end of the pay period in which the overtime was actually worked.
- (d) An Employee may bank overtime while on temporary transfer, however, an Employee may not request to take banked overtime off during such transfer.

13.02 Banked Overtime Options

An Employee who has banked overtime during any calendar year shall have the following options, in accordance with the provisions of this Article:

- (a) Elect to take the banked overtime off;
- (b) Elect to carry banked time over from one (1) year to the next;
- (c) Elect to be paid for all overtime banked during a calendar year by notifying the Company, in writing, on or before March 1st of the subsequent calendar year of the request to be paid for banked overtime.
- (d) Elect to transfer all overtime banked in a calendar year directly to the Employee's individual R.R.S.P. account by notifying the Company, in writing, on or before December 1st of the current calendar year of the request to transfer such banked overtime.
- (e) Elect to defer the banked overtime to be used as Early Retirement Credits by notifying the Company, in writing, on or before December 1st of the current calendar year of the request to defer such banked overtime.

13.03 Banked Time Off

- (a) An Employee who has banked overtime in any calendar year may request to take the equivalent of such banked time off in minimum periods of one (1) hour during that calendar year.
- (b) All requests for banked time off must, unless otherwise mutually agreed between the Company and the Employee, be presented in writing to the Company a minimum of fourteen (14) calendar days prior to the time requested off, and approval of such time off by the Company will be subject to operational requirements.
- (c) Once the Company has approved banked time off for an Employee, such time off cannot be changed by either the Company or the Employee without a minimum of fourteen (14) calendar days notice by either party, except by mutual agreement.
- (d) In the event that two (2) or more Employees in a department request banked time off for the same period, preference shall be given to the senior Employee making the request for the time off.

13.04 Payment of Banked Time

An Employee who is granted banked time off, requests that banked time be paid out, or requests that banked time be transferred to the Employee's R.R.S.P. account, shall be paid such banked time at the Employee's current hourly rate of pay.

13.05 Deferred Banked Time

- (a) An Employee who has elected to defer banked overtime, in accordance with the provisions of this Article, shall be compensated for such banked time at the rate of pay in effect at the time of payment or at the time of utilizing such deferred time.
- (b) An Employee who elects the deferral option, as referred to in subsection 13.02 (e) of this Article, may receive payment for all or a portion of such deferred time by providing the Company with a minimum notice of fourteen (14) calendar days.

- (c) Where deferred banked time is utilized as Early Retirement Credits, the Employee shall be paid regular straight time earnings for the Early Retirement period until such time as all deferred banked time has been paid out.
- (d) In addition to the provisions of this Article, an Employee may elect to defer a maximum of two (2) weeks vacation in any calendar year to the Employee's Deferred Banked Time account for use as Early Retirement Credits, or the Employee's R.R.S.P. account. This provision shall only apply to entitlement in excess of four (4) weeks. To avoid possible layoffs, during slow periods, application of this provision may require mutual agreement.

13.06 Retirement or Termination

At the time an Employee retires, or is terminated for any reason, all accrued banked time shall be paid to the Employee at the Employee's current hourly rate of pay. The Employee may, however, request the Company, in writing, to transfer such accrued banked time to the Employee's individual R.R.S.P. account.

13.07 Volunteered Time Off

When a reduction in the number of Employees is required on a temporary basis, Employees who have accrued banked time may volunteer to take such time off in lieu of a layoff or in lieu of laying off less senior employees.

ARTICLE 14 WAGES

14.01 Wage Rates

- (a) The Company shall remunerate an Employee at the wage rate applicable to the Job Classification that the Employee is employed in. The Job Classifications and applicable wage rates shall be those agreed upon and set out in Appendix "A" of this Agreement.
- (b) Where an Employee works in a higher hourly wage classification he shall be paid the higher rate for the hours worked in such classification.

14.02 New Classifications

- (a) When a new job classification is introduced which is not included in the list of Job Classifications contained in the Appendices "A" of this Agreement, the Company and the Union shall promptly negotiate a wage rate for such classification. Every effort will be made by the Parties to conclude negotiations within thirty (30) days, but in any event, the rate established shall be retroactive to the day the new job commenced.
- (b) In the event the Parties hereto are unable to conclude negotiations, the matters in dispute shall be referred to a single arbitrator agreed upon between the Parties. Failing such agreement, either Party at any time may call upon the Honorable, Minister of Labour of British Columbia to appoint an arbitrator.

14.03 Payment of Wages

- (a) The Company shall pay to each Employee, every second Friday during working hours, all wages earned by the Employee to a day not more than three (3) working days prior to the date of payment. If, however, a General Holiday falls on the regular pay day, payment will be made the preceding day.
- (b) The cut off time for each pay period will be midnight Sunday except for pay periods preceded or followed by a General Holiday when the cut off shall be midnight Thursday. Any hours of regular or overtime performed on Friday, Saturday and Sunday must be submitted to Head Office by 8:30 a.m. Monday morning. The Company cannot be held responsible for Employees not providing the required time card information on schedule.

14.04 Laid Off Employees

In the event that an Employee is laid-off, the Company shall pay such Employee all wages, salary and holiday pay earned, excluding authorized deductions, not later than the next business day following the date of layoff.

14.05 Pay Statements

The Company will issue to each Employee a separate or detachable itemized statement with each pay showing separately the number of overtime hours worked and the respective hourly rates applicable thereto. The statement shall also show the total wages for the pay period and the total deductions there from.

14.06 Time Slips

An Employee shall be required to fill out time slips daily, on Company time, if the Company so requests.

14.07 Off Premises Work

Employees engaged in overhaul and repair work performed off Company premises shall receive a premium of one dollar and seventy-five cents (\$1.75) per hour over their regular wage rate for all hours worked off Company premises.

14.08 Isolation Pay

All Employees who are regularly employed at any location of the Company where the population is less than six-thousand (6,000) residents, or is located fifty (50) miles or more away from a town and/or city of less than six-thousand (6,000) residents, shall be entitled to isolation pay of Sixty (60¢) cents per hour, in addition to the regular wage rates set out in Appendices "A" of this Agreement.

14.09 Layoff and Severance Pay

- (a) If an Employee is laid off for a period that exceeds his right to recall, as provided for under the seniority provisions of this Agreement, and the Employee has a minimum of one (1) years' service with the Company, the Employee shall be paid two (2) weeks pay based on eighty (80) hours at the Employee's then applicable rate of pay and one (1) additional weeks pay for each completed year of service in excess of one (1) year to a combined maximum of sixteen (16) weeks pay. Such an Employee, on payment

of the above, shall forfeit all accrued seniority rights in accordance with the terms of this Agreement and the Employee's employment shall be terminated.

- (b) In the event of amalgamation, permanent closure of a Branch, or a Department thereof, or automation, causing an Employee to lose his employment with the Company, the Company shall pay Severance Pay to such an Employee, provided the Employee has a minimum of one (1) years' service with the Company.
 - (i) Severance pay shall be based on an Employee's regular rate of pay at the date of his severance and shall be paid based on one (1) week's pay for each year of service with the Company, to a maximum of twenty (20) weeks.
 - (ii) In the event that part of the Branch remains open or that an Employee has lost his employment because of amalgamation or technological change, an Employee eligible to receive Severance Pay may elect to remain on the Seniority List for possible recall. The Company shall hold the Severance Pay for the Employee for the period of his right to recall, but during such period the Employee may, subject to the same forfeiture provisions of (a) above, request and receive payment of Severance Pay.

ARTICLE 15 TRANSPORTATION AND EXPENSES

15.01 Out of Town Travel

- (a) Employees required to report for work outside their normal work area who do not return daily, shall be paid all their transportation, accommodation and meal expenses.
- (b) An Employee is entitled to one (1) hour of preparation time at straight time pay when being sent out of town, where overnight stay is required, and the Employee has already reported to work on that day without prior notification. This provision shall not apply where the Employee is provided time off from the shift being worked to make such preparations.
- (c) When an Employee is required to go out of town overnight on Company business he will be paid a meal allowance of forty dollars (\$40.00) per day and no receipts will be required.
- (d) When an Employee is going out on a job which will require his absence from home for one (1) or more nights, the Company shall inform the Employee, on or before the day of his departure, of the approximate length of time he will be out on the job. If an Employee is sent out on one (1) job and subsequently is assigned to other jobs, the total period will not be extended beyond fourteen (14) days. If there is reason to extend this period, and the Employee requests to return home, the Company will provide return transportation. This will not preclude long-term out-of-town assignments which will be arranged in advance.
- (e) An Employee being sent out of town to work may leave his car on the Company's premises, or may leave it at his home at his option, when travelling overnight on Company business.

15.02 Other Work Locations

When an Employee is assigned to work locations away from his regular base shop, the following provisions shall apply:

- (a) The Company retains the right to require the Employee to report to his regular base shop, or normal work location, at the regular starting time, before travelling to the work location or to report directly to the work location.
- (b) When the Company requires the Employee to report directly to the work location away from his regular base shop, or normal work location, wherever possible, the Employee shall be dispatched to the job closest to his residence.
- (c) An Employee is required to be at this regular base shop or at the assigned work location, at the regular starting and stopping times, unless the work location lies outside of the Employee's reporting boundaries.
- (d)
 - (i) If the assigned work location lies outside an Employee's reporting boundaries, the Employee shall be at the outer limits of those boundaries at his regular starting time and stopping times.
 - (ii) If the Employee is required to be at the outer limits of the boundaries, from the Employee's permanent or temporary residence, prior to the Employee's regular starting time, the Employee shall be paid travel time to the work site from such residence.
 - (iii) If the Employee does not leave the work site in time to reach the outer limits of the boundaries, prior to the normal quitting time, the Employee shall be paid travel time to return to such residence.
 - (iv) The above provisions shall not apply to an Employee while assigned to out of town work and required to reside in local commercial accommodations. The commercial accommodations shall be deemed to be the Employee's base shop and travel time shall be paid from such accommodations to the job site.
- (e) When the assigned work location is outside of an Employee's reporting boundaries, he shall be paid all fares to and from the boundaries to the place of work, or alternatively, be supplied with transportation by the Company.
- (f) An Employee's reporting boundaries shall be a thirty-five (35) kilometer radius from the Employee's regular base shop, or from his own residence, whichever is greater, provided that such distance can be traveled within the legal speed limits, in a maximum of thirty (30) minutes. For Employees at branches, other than Surrey, this reporting boundary shall not be greater than the distance from the Employee's residence to the Employee's regular base shop.

15.03 Accommodations and Meals

When an Employee is required to work at locations away from their regular base shop, which necessitates an overnight stay or longer, the Company shall provide at no cost to the Employee:

- (a) Where accommodation is provided on such projects as mining or logging, which may require the Employee to be accommodated in Camps, the Camp accommodations shall include a single room, with fresh linen, and a good bed with spring-filled mattress and first-class meals. This accommodation shall not include opposing shift workers (whereby the Employee's off-work hours can be disturbed). Where such accommodations are not available (b) below shall apply.

- (b) Single room accommodation in a good hotel or motel if same is available in the area of the job.

15.04 Standby Time

If an Employee reports to a field job outside their normal work area and through no fault of his own, is unable to work, he shall immediately contact the Company for instructions. Nevertheless, while being required to stand by the job, he shall be paid for a regular shift of eight (8) hours in each twenty-four (24) hour period.

15.05 Layover Time

- (a) Where an Employee is required to remain in the field on a Saturday, Sunday or on a General Holiday, and the Company does not provide overtime work on those days, then the Employee shall be paid eight (8) hours for each such day at straight time rates.
- (b) Where an Employee is required to remain in the field on a Saturday, Sunday or on a General Holiday, and the Company does provide overtime work on those days but the Employee declined the overtime, then the Employee will not be paid for the layover day.
- (c) Where an Employee is required to remain in the field on a Saturday, Sunday or on a General Holiday, and the Company does provide overtime work on those days, and the Employee works the overtime, then the Employee will be paid for the overtime work in accordance with the provisions of this Agreement. In such case, the Employee will not receive layover pay.

15.06 Travel and Waiting Time

- (a) Travel time and waiting time will be paid at straight time rates except that overtime premiums will be paid in the following circumstances:
 - (i) All travel time outside an Employee's regular hours of work shall be paid at time and one-half, including travel to or from a public carrier when operating or travelling in a Company vehicle.
 - (ii) When an Employee's paid time hours in one (1) day exceed a total of twelve (12) hours and the Employee has to drive beyond the twelve (12) hours, then the paid driving time over the twelve (12) hour total will be paid at double time;
 - (iii) double time shall apply for all paid driving time on a Statutory Holiday;
 - (iv) double time shall also apply for all paid driving time on an Employee's 6th or 7th day of work in one (1) work-week. (Saturday or Sunday in a Monday through Friday work-week; or Sunday or Monday in a Tuesday through Saturday work- week.)
- (b) The exception to subsection (a) above would be where first-class sleeping accommodation is provided while travelling on a public conveyance. In such instances time would cease at 9:00 p.m. and commence at 8:00 a.m. the next day.
- (c) The overtime provisions of subsection (a) above shall not apply when an Employee is travelling by a public carrier or to or from a public carrier in a personal vehicle. In

such cases the Employee shall be paid at straight time. Public carriers shall be defined as follows:

- (i) Buses, taxis, aircraft, trains, boats and any vehicle licensed to transport passengers and operated by a licensed operator (exclusive of Company vehicles as mentioned in (a) above).
- (ii) Buses, aircraft or boats that may be chartered or purchased by the Company to transport Employees shall be licensed to transport passengers and operated by an operator holding a current appropriate license.

15.07 Air Travel Insurance

- (a) The Company will provide a blanket policy of \$105,000.00 flight Insurance for flying on Company business.
- (b) If the Employee determines that the plane is unsafe or the pilot is not in proper condition to fly, the Employee has the right not to fly on that plane or with that pilot. All flying will be regulated by V.F.R. (Visual Flight Rules). The Employee upon refusing to fly will give a verbal reason to his Charge Hand and/or Management so that the Company may inform the customer(s).

15.08 Travel Insurance

The Company will provide \$50,000.00 Insurance coverage for an Employee travelling on Company business, except where such travel is covered under subsection 15.07 (a) above.

15.09 Transfers and Moving Expenses

- (a) The Company agrees to pay moving expenses on behalf of an Employee who relocates to another Company location under the following conditions:
 - (i) the Employee agrees to the transfer at the Company's request, or
 - (ii) the Employee is promoted through the Job Posting Procedures, or
 - (iii) an Employee who is laid off transfers to another location through the Job Posting Procedures;
- (b) The Company agrees to pay one hundred percent (100%) of the moving expenses, in accordance with the provisions of this section, provided the Employee submits receipts on an expense account, subject to the following conditions:
 - (i) the Employee relocating has a minimum of five (5) years service with the Company;
 - (ii) the relocation is on the understanding that the Employee will remain in the new location for a period of five (5) years.
 - (iii) the Employee provides the Company with three (3) quotes on the cost of the move and the Company determines the carrier to be used.
- (c) Moving Expenses for Furniture and Personal Belongings, in accordance with the provisions of this section, will be paid for the following:
 - Transportation.
 - Insurance.

- Standard delivery charges.
 - Material for packing and actual packing.
 - Any Ferries or special road surcharges.
 - Storage when required up to thirty (30) days.
 - Normal Service hook up, to include Hydro, heat, gas, telephone and water (city when available).
- (d) When an Employee agrees to a transfer at the Company's request, the Company shall:
- (i) allow reasonable living expenses to the transferred Employee up to a maximum of thirty (30) days. Living expenses are to be discussed initially with the Employee before departure and each fifteen (15) days thereafter.
 - (iii) pay the transferred Employee's transportation costs to the new location and supply first-class accommodation and meals to the Employee while he is enroute to the new location.
 - (iii) assume the cost of moving the transferred Employee's family and household goods to the new location. This shall include the cost of transporting and accommodating the family while enroute to the new location.
- (e) No transferred Employee shall move his family or household goods at the Company's expense without written authority from the General Manager of the operation.

15.10 Personal Vehicles

- (a) An Employee's personal vehicle can be used on Company business only if authorized by the Company and only if the Employee has obtained the required business insurance coverage. When an Employee's vehicle is used on Company business the Employee will be reimbursed on the following basis:
- 31¢ per K.M. or 50¢ per Mile - 10 mile minimum payment.
- (b) The Company agrees to reimburse the Employee for the difference between standard rate and business rate insurance to those Employees requested by the Company to use their vehicle on Company business.
- (c) An Employee shall arrange with the Company for adequate insurance coverage before using his motor vehicle on Company business. It shall not be a violation of this Agreement for an Employee to refuse to use his motor vehicle on Company business.

ARTICLE 16 GENERAL HOLIDAYS

16.01 Designated Holidays

- (a) The designated General Holidays are as follows:

| | | |
|---------------|------------------|------------------|
| New Years Day | Dominion Day | Remembrance Day |
| Good Friday | B.C. Day | Christmas Day |
| Easter Monday | Labour Day | Boxing Day |
| Victoria Day | Thanksgiving Day | Floating Holiday |

and Heritage Day if declared, proclaimed or celebrated by the Federal or Provincial Government shall be paid for on the same basis to a combined maximum total of thirteen (13) General Holidays which shall include the Floating Holiday.

- (b) Each Employee shall be entitled to a twelfth (12) General Holiday with pay at his current rate. This Holiday is a Floating Holiday to be taken at a time mutually agreed to between each Employee and the Company. If the Company and the Employee are unable to agree on the date, the decision shall be the Company's, provided it is in conjunction with the Employee's regular days off.

16.02 Holiday Pay

- (a) The Company shall give to each Employee a holiday with pay on each of the designated General Holidays. For each such Holiday an Employee shall be paid not less than the equivalent of the wages he would have earned at his classified rate of pay for his normal hours of work.
- (b) An Employee shall receive the Holiday pay if the Holiday falls on a Saturday, Sunday or on an Employee's weekly days off.
- (c) Subject to the provisions contained herein, and provided the Employee has earned wages from the Company during the sixty (60) calendar days immediately preceding the General Holiday, holiday pay provisions will prevail where:
 - (i) an Employee is off work due to any circumstances for which he is eligible to receive compensation under the Workers' Compensation Act.
 - (ii) an Employee is off work due to sickness, quarantine or an accident. If the Company so requests, a doctor's certificate shall be submitted as proof of disability.
 - (iii) an Employee is off work due to a death in the immediate family or is acting as a juror or witness as provided elsewhere in this Agreement.
- (d) In addition if an Employee is laid off or on an approved leave-of-absence he shall be entitled to pay for the Holiday, provided the Employee has earned wages from the Company during the two (2) calendar weeks immediately preceding the week in which the Holiday occurs.
- (e) If an Employee is laid off, terminates or quits before receiving his Floating Holiday day off, described herein, he shall be paid a days pay in addition to all other monies to which he is entitled.

16.03 Holidays During Vacation Period

When a General Holiday falls within an Employee's scheduled vacation, he shall receive the pay of a normal shift for the Holiday in addition to his vacation pay, or a day off with pay in conjunction with his vacation.

16.04 Holiday Options

If an Employee works on a General Holiday, the Employee shall have the following options:

- (a) To receive holiday pay for the General Holiday, plus double time for the time worked on the Holiday, or

- (b) To receive double time for the time worked on the Holiday, and to take a paid day off on another day, in lieu of Holiday pay.
- (c) If an Employee elects (b) above, the Holiday, including a Floating Holiday not utilized, must be taken by December 31st of that year or the Holiday will be paid out during the next pay period.

16.05 Holidays on Saturday or Sunday

- (a) General Holidays falling on a Friday, Saturday, Sunday or Monday may be observed on the day they fall, the working day prior to or the working day subsequent to the Holiday. The Company will, however, make every effort to schedule such days to provide Employee's with the maximum number of consecutive days off as is reasonably possible based on the requirements of the business.
- (b) The Company will advise Employees a minimum of two (2) weeks in advance of the Holiday or Holidays on the day or days they are to be observed.

ARTICLE 17 VACATIONS

17.01 Vacation Entitlement

- (a) The Company shall give each Employee an annual holiday with pay which will be allocated on the basis of seniority and based on the following schedule:

| Years of Continuous Service | Vacation Period | Vacation Pay |
|------------------------------------|------------------------|---------------------|
| Less than one year | - | 4% |
| 1 year less than 2 years | 2 weeks | 4% or 2 weeks |
| 2 years less than 7 years | 3 weeks | 6% or 3 weeks |
| 7 years less than 14 years | 4 weeks | 8% or 4 weeks |
| 14 years less than 20 years | 5 weeks | 10% or 5 weeks |
| 20 years less than 25 years | 6 weeks | 12% or 6 weeks |
| 25 years less than 30 years | 7 weeks | 14% or 7 weeks |
| 30 years and over | 8 weeks | 16% or 8 weeks |

- (b) An Employee's vacation pay shall be calculated based on the applicable percentage rate of the Employee's gross earning for the previous calendar year, or the Employee's current classified rate of pay, whichever is greater.
- (c) Vacation pay shall be paid at the Employee's regular rate of pay at the time the vacation is taken based on forty (40) hours for each week of vacation entitlement.
- (d) On or before January 31st, of the following calendar year, an Employee shall be paid a vacation pay adjustment based on the difference between the applicable percentage rate of the Employee's gross earnings and vacation pay received during the entitlement period.
- (e) The interpretation of the eligibility sections in this Article mean that, in any calendar year an Employee is eligible for an increase in vacation entitlement, such Employee

shall be entitled to receive the additional vacation entitlement and pay at any time during that calendar year.

- (f) Eligibility shall be maintained, but not accumulated during absences as follows:
 - (i) Temporary illness or non-occupational accident exceeding twenty-six (26) weeks;
 - (ii) An authorized leave-of-absence;
 - (iii) Layoff without recall, for a period not to exceed the Employee's recall entitlement.
- (g) Eligibility shall be maintained and accumulated during absence due to:
 - (i) A compensable accident;
 - (ii) Serving in the non-permanent Armed Forces of Canada;
 - (iii) Temporary illness or non-occupational accident not exceeding twenty-six (26) weeks.

17.02 Calendar Year

- (a) For the purpose of calculating vacation entitlements and pay, the vacation year shall be January 1st to December 31st. Vacations shall be taken in each calendar year, January 1st to December 31st, of employment, except a new Employee in the first year of employment shall receive vacation benefits as provided in section 17.03.
- (b) For the purpose of determining a calendar year of employment to qualify an Employee for vacations and vacation pay, the Parties agree that when an Employee has worked a minimum of fourteen hundred (1,400) hours in the period from January 1 to December 31, such Employee shall be eligible for vacations as provided for in section 17.01 above.
- (c) Employees who work less than fourteen hundred (1,400) hours in the period specified shall be paid on the basis of the appropriate percentage rate.
- (d) In determining the fourteen hundred (1,400) hours the calculation shall be based on actual hours worked and pay for any of the General Holidays not worked as referred to in Article 16, section 16.01.

17.03 New Employees

New Employees receive vacations as follows:

- (a) In the first calendar year of employment an Employee shall be paid four (4) percent of gross earnings from the date of employment to December 31st of that calendar year. The vacation pay earned shall be paid to the Employee on or before January 31st of the following calendar year.
- (b) In the second calendar year of employment, and in subsequent calendar years of employment, the Employee shall receive vacation entitlement and pay in accordance with the provisions of sections 17.01 and 17.02 of this Article.

17.04 Vacation Allotment

- (a) The Company shall, where required, post a Vacation List on the Bulletin Board at each Branch at the beginning of each calendar year. All Employees shall be listed in order of seniority and shall have filled in their request by February 28th of that year. Vacation requests received after February 28th shall be dealt with on a first received first served basis.
- (b) If a dispute arises, vacation periods will be allocated on the basis of seniority by classification or job function, within a Department or Branch, to ensure continuity and efficiency of operations.
- (c) An Employee shall also be entitled to take vacations between January 1st and March 31st of each year. However, an Employee shall be required to make his request known to the Company at least thirty (30) days prior to the date his vacation commences.
- (d) If an Employee requests two (2) weeks vacation time during the period June 15th to September 15th, or December 15th to January 15th, the Company shall approve such vacation. No further vacation time shall be allotted to such an Employee during these periods until such time as all other Employees have selected a minimum of two (2) weeks of their entitlement.
- (e) The Company agrees to consult with the Employees in an attempt to allow, but will not guarantee, three (3) , four (4) or five (5) consecutive weeks vacation to eligible Employees.
- (f) An Employee's scheduled vacation period shall not be changed by the Company or the Employee within the one (1) month period immediately preceding the start of the vacation period without the consent of the Employee concerned, or management.
- (g) Each Employee shall be required to take the full annual vacation period the Employee is entitled to under the provisions of this Agreement, except as provided for in subsection 13.05 (d) of this Agreement.
- (h) In the event an Employee does not schedule vacations in accordance with the provisions of this section, except as provided for in subsection 13.05 (d), then the Company shall transfer all unused vacation credits to the Employee's Deferred Bank Time account on or before January 15th of the following year.

17.05 Pay Slips

The Company will show vacation entitlements on the Employee's payslip.

17.06 Termination of Employment

In the event of termination of employment an Employee shall receive the applicable percentage of gross earnings, from January 1 to the date of termination in that year, less any vacation taken during that calendar year. The applicable percentage rate shall be the rate in effect at the date of termination and shall not include any service adjustment in vacation entitlement for that year which would have occurred following the date of termination.

ARTICLE 18 LEAVES OF ABSENCE

18.01 Union Business

- (a) The Company shall allow time off work without pay for any Employee who is serving on a Union Committee for purposes of discussions with the Company, or serving as a Union delegate to any conferences or function, provided all requests for time off are reasonable and do not interfere with the proper operation of the business.
- (b) No Employee who acts within the scope of this subsection shall lose his job or be discriminated against for so acting.
- (c) When an Employee is either appointed or elected to a full time position with the Union, such Employee shall be granted a leave of absence for a period not to exceed one (1) year. It is understood that the leave of absence will only be approved provided the Employee does not represent Employees of the Company during such leave. Seniority shall continue during such leave in accordance with Article 7, subsection 7.03 (a).

18.02 Injury/ Illness

- (a) When an Employee suffers an injury, whether on the job or not, or suffers any illness preventing him from reporting to work, he will automatically be granted leave- of-absence until such time as his doctor states he can return to work.
- (b) When any Employee suffers an injury or illness which requires his absence, he shall report the fact to the Company as soon as possible, prior to his actual starting time, so that adequate replacement may be made if necessary.
- (c) An Employee absent on sick leave, who does not apply or is not entitled to the sick leave benefits referred to Article 19 or Article 20, may be required by the Company to provide a medical certificate for any absence of more than three (3) consecutive scheduled working days.

18.03 Personal

If an Employee desires a leave-of-absence for reasons other than those referred to in this Section, he must obtain permission in writing, for such leave from the Company, a copy to be supplied to the Union.

18.04 Drivers Test/Doctors Appointments

All time lost by an Employee due to necessary attendance in completing his driver's tests required for actual employment with the Company, or doctor's examinations in connection therewith, shall be paid for by the Company at the rate of pay applicable to the Employee.

18.05 Bereavement Leave

- (a) When an Employee suffers a death in the immediate family he shall be granted compassionate leave-of-absence with full pay in accordance with the following:
 - (i) For five (5) days in the event of the death of his spouse or child.
 - (ii) For three (3) days in the event of the death of his mother, father, stepmother, stepfather, brother, sister, mother-in-law, father-in-law, a grandchild or a grandparent. The three (3) days shall be extended to five (5) days where the

Employee attends the funeral and it is in excess of five hundred (500) miles from the Employee's residence.

- (b) The Employee may be required by the Company to substantiate the death.

18.06 Jury Duty

- (a) All time lost by an Employee due to necessary attendance on Jury Duty of any court proceedings arising out of his employment, or subpoenaed as a witness, shall be paid for by the Company at the rate of pay applicable to the Employee.
- (b) If an Employee is employed on an afternoon or graveyard shift and attends upon Jury Duty, or as a witness, or if an Employee is attending upon Jury Duty or as a witness and is scheduled to commence work on an afternoon or graveyard shift, such Employee shall not be required to work such shifts and shall receive pay for time loss pertaining to Jury Duty or as a witness as provided in this Section.
- (c) All Jury Duty pay or witness fees received by an Employee for the days he received pay from the Company shall be paid over to the Company.
- (d) Any Employee on Jury Duty or as a witness shall subject to this Section make himself available for work before or after being required for such duty whenever practicable during his regular shift.
- (e) Once an Employee is relieved of Jury Duty or as a witness, he shall be returned to his regular job classification he held prior to performing such Jury Duty or Witness Duty.

18.07 Other Employment

In any instance where an Employee accepts other employment without the consent of Management, when on leave-of-absence for any reason, his employment may be terminated, subject to proper proof of same.

ARTICLE 19 SICK LEAVE

19.01 Sick Leave Credits

The Company shall accumulate sick leave credits on behalf of each eligible Employee in accordance with the following:

- (a) An Employee shall be eligible to accumulate sick leave credits following sixty (60) calendar days of employment. On completion of the sixty (60) calendar days of employment, the Employee shall be given sick leave credits commencing from his date of full-time employment or date of rehire with the Company.
- (b) Sick leave credits shall be accumulated on behalf of each eligible Employee on the basis of four (4) hours per month for each month of active service to a maximum of twenty-four (24) hours per annum. Unused sick leave credits in any year may be accumulated for future use to a maximum of three hundred and sixty (360) hours.
- (c) An Employee who reports sick during any day will have his sick leave entitlement reduced by the number of hours not worked during that day.

19.02 Sick Leave Payments

Sick leave shall be granted for an Employee's personal use only in accordance with the following:

- (a) An Employee is only entitled to receive full sick leave benefits when he is absent for reasons of legitimate illness and is not entitled to receive sick leave payments from any other source.
- (b) All absences due to illness of more than three (3) consecutive scheduled working days shall require a Doctor's Certificate. It shall be the Employee's responsibility to provide such Certificate to his Department Manager.
- (c) It is the responsibility of an Employee to immediately notify his Department Supervisor of absence due to illness. If there is no notification, absence may be considered absence without pay.
- (d) Sick leave credits shall be paid on the basis of the Employee's hourly rate of pay at the time of the payment.

19.03 Supplemental Payments

When an Employee is absent for reasons of legitimate illness, excluding Workers' Compensation Benefits, and is receiving sick leave benefits from any other source that are less than the equivalent of his regular straight time pay, such Employee shall be entitled to receive a Supplemental Payment from his accumulated sick leave entitlement. The Supplemental Payment shall be based on the following:

- (a) The number of undivided hours, at the Employee's regular rate of pay, which brings his total gross compensation from all sources closest to, but not to exceed, his regular straight time pay.
- (b) The Employee must provide proof of payment received from the other source.

19.04 Employee Options

Each Employee who is entitled to receive sick leave credits, that have been earned but not used in the calendar year, shall have the following options at December 31st which must be exercised by January 15th of the following year.

- (a) The Employee can elect to add unused days to his accumulated sick days, or
- (b) Elect to take a cash pay-out at his current regular rate of pay. The Company shall make the cash pay-out by January 31st of the year in which the Employee selects this option.

19.05 Sick Leave Advances

An Employee shall be entitled to draw sick leave credits in advance, to a maximum of twenty-four (24) hours in any one (1) calendar year, in accordance with the following:

- (a) If the Employee draws sick leave credits before they are actually earned, such payment will be deducted from the credits the Employee will earn when he returns to work following the illness.
- (b) If an Employee draws sick leave credits in advance and does not return to work, or if he returns to work and leaves his employment with the Company for any reason before repaying the advance, then the Company shall recover the value of such advance payment from any monies owing to the Employee on his termination.

- (c) If the Employee receives a sick leave advance and is subsequently laid off before repayment is made, the Company shall exercise its right to recover the outstanding amount from any monies owing to the Employee at the time of his final severance from employment with the Company.

19.06 Sick Leave Pay-outs

The Company shall pay out unused sick leave credits as follows:

- (a) Without regard to any other provision of this Article, the Company shall pay out at the end of each calendar year, to a maximum of twenty-four (24) hours an Employee's unused sick leave credits that exceed an Employee's maximum accumulation of three hundred and sixty (360) hours.
- (b) All accumulated sick leave credits shall be paid out, at the Employee's regular rate of pay, on termination of employment or at such time as an Employee's right to recall has expired.

ARTICLE 20 BENEFIT PROGRAMS

20.01 Insurance Plans

- (a) The Company will pay the full premium cost to provide the following coverage for all Employee's:
 - (i) **Medical Insurance** - Medical Services Plan of B.C.
 - (ii) **Extended Health**
 - (iii) **Dental Plan** - Plan B coverage 60% and the maximum combined coverage of Plan A and B is \$1,500.00 per year.
 - (iv) **Weekly Indemnity Insurance** - Payable at \$460.00 per week

First day of accident, third day of illness for a maximum period of 26 weeks. In addition, once an Employee has established a bona fide claim for Weekly Indemnity, the Company will pay one and one-half (1 1/2) days, of the waiting period for benefits in the event of illness on the basis of a maximum of two (2) claims per calendar year. The one and one-half (1 1/2) days shall be paid at the Employee's regular rate of pay, exclusive of all premiums.

The amount payable shall increase to \$470.00 per week effective March 1st, 2005, and to \$480.00 on March 1st, 2006.

- (v) **Life Insurance** - \$50,000.00
- (vi) **Accidental Death & Dismemberment** - \$50,000.00

Life Insurance and Accidental Death & Dismemberment Insurance will increase to \$60,000 effective March 1st, 2005.

- (vii) **L.T.D.** - The Long Term Disability Plan (L.T.D.) shall provide benefits in the amount of fifteen hundred dollars (\$1,500) per month in the event of a bona fide total disability in excess of six (6) months that is as a result of illness

or non-occupational accident. Benefits from the Plan shall not be integrated with C.P.P. benefits.

- (viii) **Eye-glass Coverage** - Coverage to a maximum of \$200.00 every two (2) years for the Employee and each of the Employee's dependents. In addition the Company shall pay for the required eye examination.
- (b) An Employee will be eligible for all the above coverage, except the Dental Plan, on the first day of the month following commencement of employment. Dental Plan coverage shall be effective on the first day of the month following two (2) complete months of service. Participation in the Insurance Plans is a condition of employment.
- (c) The details of the specific benefits applicable to members of the Machinists and/or the Teamsters Union are set in separate brochures supplied by the Insurance Carrier.
- (d) If the Company does not insure that an Employee completes the necessary enrolment cards for any part of the Welfare Plan, or the Company does not make the required premium payments on the due date, and any problem is created thereby for any Employee, the Company shall immediately pay any bill or any loss of money that an Employee incurs as a result of such neglect by the Company.
- (e) It is understood and agreed that the benefits contained in this Article may be provided through other sources, selected by the Company, if the cost of providing such benefits is less than that levied by the present Insurance Carrier.
- (f) In the event of a layoff the Company shall pay the full cost of providing the benefits referred to in this Section, excluding Weekly Indemnity Insurance, during the month in which the layoff occurs and the subsequent month.
- (g) In the event of an absence as a result of bona fide sickness or accident, the Company shall pay the full cost of providing the benefits referred to in this Section, excluding Weekly Indemnity Insurance, in accordance with the following:
 - (i) if the Employee has less than two (2) years service - for the period of absence, but not to exceed a total of six (6) months from the first day of absence;
 - (ii) if the Employee has two (2) or more years of service - for the entire period of absence.

20.02 Retirement Savings Plan

(a) Eligibility

Each full-time Employee of the Company may elect to participate in the Plan at any time following completion of the Probationary Period as set out in this Agreement.

(b) Company Contributions

The Company shall contribute an amount equal to the Employee's contribution to a maximum of one dollar and thirty-five cents (\$1.35) per hour based on the Employee's regular hours and overtime hours worked. The Company contributions shall increase to a maximum of one dollar and forty cents (\$ 1.40) per hour effective March 1, 2005, and one dollar and fifty cents per hour (\$1.50) per hour effective March 1, 2006.

(c) Employee Contributions

Each eligible Employee may elect to contribute, and have deducted from the Employee's wages, a specified amount per hour based on the Employee's regular and overtime hours worked. An eligible Employee may elect, in writing, every six (6) months to make additional contributions to the Plan, however, the Company contributions will not exceed the provisions of subsection (b) above.

(d) **Remittance of Contributions**

The Company shall remit all contributions to the Plan on a monthly basis.

(e) **Employee Option**

The Company has agreed that Employees may elect, in writing, to have the above Company and Employee contributions made to the former Union Pension Plan, in lieu of the new Plan.

ARTICLE 21 TOOL ALLOWANCE AND INSURANCE

21.01 Tool Allowance

The Company will contribute to the cost of a Mechanical Department Employee required to have tools as prescribed by the Company, the initial purchase price, repair or replacement of broken tools, in accordance with the following:

- (a) the Employee must have completed one (1) year of service with the Company, and
- (b) the tools must be for the sole purpose of working on Company assignments, and
- (c) The amount of the Company's contribution for an Employee required to have tools will not exceed a maximum of two hundred and seventy-five dollars (\$275.00) in a calendar year. The tool allowance shall increase to three hundred dollars (\$300.00) effective March 1st, 2005, and increase to three hundred and twenty-five dollars (\$325.00) effective March 1st, 2006.
- (d) receipts must be presented to substantiate any claim or claims under this Article, and
- (e) any claims under this Article must be made by the 15th of January of the following calendar year, and
- (f) the tool allowance referred to in this section, or portion thereof, that is not utilized may be carried over to subsequent years.
- (g) it is understood that in any calendar year, in which an Employee receives an allowance, in accordance with subsection (c) above, and subsequently leaves the employment of the Company, such Employee will have deducted from his final earnings any amount paid in the sixty (60) working day period immediately prior to leaving the Company.

21.02 Tool Insurance

- (a) The Company shall provide, at its expense, tool insurance coverage to each Eligible Employee in the amount of twenty thousand dollars (\$20,000.00). Such coverage within principal sum limits, shall pay the cost of replacing an Employee's tools, tool for tool, brand for brand, at no cost to the Employee that are lost or damaged as a result of theft, fire or Acts of God.

- (b) Each Employee will provide the Company with a tool list which the Employee shall update on a regular basis. It shall be the Employee's responsibility to maintain the status of the tool list.
- (c) The insurance coverage shall only apply to the last tool list provided to the Company by the Employee.

21.03 Storage/Layoff

An Employee who has been temporarily laid off for a period of up to two (2) weeks can choose to leave his tools in the Company's premises during the layoff and the tools will continue to be covered by the tool insurance during this period. In the event that an Employee chooses this option, it is the Employee's responsibility to ensure that he advises his supervisor of his decision and the Company has on file a current copy of his tool list. The Employee must also insure that the tools are left in locked containers provided by him.

21.04 Company Tools

The Company will have 1" and 3/4" impact and torque wrenches available for use when and where required. All tools used off premises are to be accounted for on job completion.

ARTICLE 22 PROTECTIVE EQUIPMENT AND BOOTS

22.01 Protective Equipment

- (a) All Employees required to wear coveralls or smocks shall have these supplied and cleaned by the Company at no expense to the Employees involved. Any smock or set of coveralls supplied shall be of the proper size to fit the Employees. There shall be sufficient changes as required for each Department or job available each week to the Employees involved, and field servicemen going out on calls shall have extra sets of coveralls to take with them when they go out on such calls.
- (b) Thermal Coveralls and Arctic Parkas to be assigned on a temporary basis where required.
- (c) The Company will provide rubber clothes, rubber boots, welders gloves and welders aprons for shop and yard use. Rainwear shall be supplied by the Company, as required, for Shipping and Receiving Employees.
- (d) Hard hats will be issued by the Company for job use where required.
- (e) Ear protectors shall be provided to all Employees in exposed high noise level areas. They will be issued to the individual and show on his personal file held by the Company. The Employee will be requested to turn them in when he leaves the Company and if he fails to do so, they will be charged to him at that time.

The Company shall post notices indicating high noise level areas and ear protectors must be worn by Employees working in such areas.

22.02 Boots

- (a) All Employees shall be paid an annual safety footwear allowance in each calendar year of ninety (\$90.00) on presentation to the Company of an acceptable receipt of purchase or repair. The allowance referred to herein shall increase to one

hundred dollars (\$100.00) effective March 1, 2002. The allowance referred to in this section, or portion thereof, that is not utilized may be carried over to subsequent years.

- (b) A new Employee shall be provided the allowance, in accordance with subsection (a) above, at the commencement of employment, however, if the new Employee leaves the employment of the Company prior to completion of the probationary period the allowance shall be deducted from the Employee's final wages.
- (c) The Company shall provide each Employee required to work on pleasure craft with an annual allowance of thirty dollars (\$30.00) for the purchase of safety toed running shoes on presentation to the Company of an acceptable receipt of purchase.
- (d) All Employees must wear approved safety toed footwear during the performance of their duties on behalf of the Company.

ARTICLE 23 SAFETY

23.01 Safety Equipment

- (a) Where the Company provides Safety Equipment and/or Clothing, Employee's shall be required to utilize such Safety Equipment and/or Clothing in the performance of their duties on behalf of the Company.
- (b) Any Employee that does not comply with the provisions of this Section may be subject to disciplinary action by the Company.

23.02 Accident Reports

An Employee suffering an injury while in the employ of the Company must report to the First Aid Department immediately, or as soon thereafter as practical, and also report to First Aid upon returning to work. In the absence of a First Aid Department the Employee will report to the Department Manager.

23.03 First Aid Premium

- (a) When an Employee is designated as an Industrial First-Aid Attendant by the Company, such Employee shall receive the following premium per hour above the Employee's classified rate of pay:

70¢ per hour

- (b) The above premiums shall apply to designated First-Aid Attendants only and shall not attract overtime rates.

23.04 First Aid Provisions

The Company further agrees to the following provisions:

- (a) 6 - 25 Employees require a person who has completed a one (1) day survival First-Aid course.
- (b) Due to the fact that the Service Department has the most Employees, the Charge Hand is to attend this course or the Lead Hand if he is an inside person.

- (c) There will be no financial compensation to an Employee while attending a First Aid Course, except that the Employee shall be paid normal wages and the Company shall pay for the cost of such Course.
- (d) If a Branch has different shifts and these shifts have more than six (6) persons, then the Foreman of the shift is to attend the Survival First-Aid course.
- (e) Although the Company is not required to have a person on duty that holds an Industrial First Aid Certificate, when there are less than twenty-five (25) Employees on duty, the Company will pay one (1) Employee per branch the rate as set out in this Agreement. However, this individual must be available at least seventy-five percent (75%) of the normal working hours during the shift in which the largest amount of Employees will be working.
- (f) Within the Surrey Branch, the Employees are entitled to elect from within their ranks, one (1) Employee who shall be recognized as a member of the Safety Committee and who shall be entitled to attend and participate in any meetings of that committee.

23.05 Truck Maintenance and Safety

It is to the mutual advantage of both the Company and the Employees that Employees should not operate vehicles which are not in safe operating condition and not equipped with the safety equipment required by law. The maintenance of equipment in sound operating condition is not only a function but a responsibility of Management and in respect thereto the Company agrees as follows:

- (a) The Company shall not require Employees to take out on the streets or highways any vehicle that is not in safe operating condition or equipped with safety equipment, seat belts or stickers prescribed by law. It shall not be a violation of this Agreement where Employees refuse to operate such equipment.
- (b) The Company shall not compel any driver to operate a vehicle which weighs in excess of the legal gross weight limits. Where a driver with the knowledge of the Company operates with an overload and is convicted, the Company shall be responsible for any fines involved. Drivers who of their own accord operate with an overload may be subject to discipline and responsible for their own fines.
- (c) The Company shall supply a fire extinguisher and an adequate First-Aid-Kit for each service vehicle. Each uncovered service vehicle shall be equipped with a tarpaulin, or a locked tool box where required.

ARTICLE 24 SAVINGS CLAUSE

24.01 Wage Rates & Hours

- (a) No Employee, who prior to the date of this Agreement was receiving more than the rate of wages as set out in Appendix "A" attached hereto or working fewer hours than stipulated in this Agreement, shall suffer a reduction of wages or increase in hours worked per week because of the adoption of this Agreement.
- (b) Nothing herein contained shall preclude higher wages being paid to Employees of special ability.

24.02 Invalid Provisions

- (a) If any Article or Section of this Agreement should be held invalid by operation of law or by a tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such tribunal, pending a final determination as to its validity, the remainder of this Agreement or the application of such Article or Section to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.
- (b) In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the Parties affected thereby shall enter into immediate Collective Bargaining negotiations, upon the request of the Union, for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. If the Parties do not agree on a mutually satisfactory replacement, they shall submit the dispute to the Grievance Procedure.

ARTICLE 25 TERM OF AGREEMENT

25.01 Term

This Agreement shall be in full force and effect from March 1st, 2004 to and including February 28th, 2007 and shall continue in full force and effect from year to year thereafter, subject to the right of either Party to this Agreement within four (4) months immediately preceding the expiry date of February 28th, 2007 or immediately preceding the anniversary date in any year thereafter, by written notice to the other Party to commence collective bargaining with a view to the conclusion of a renewal or revision of the Collective Agreement.

Should either Party give written notice to the other Party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union shall give notice of strike and such strike has been implemented, or the Company shall give notice of lockout and such lockout has been implemented, or the Parties shall conclude a renewal or revision of the Agreement or a new Collective Agreement.

25.02 Limitations

The Parties hereto agree that the operation of subsections 50 (2) and 50 (3) of the Labour Relations Code of British Columbia are hereby excluded.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement by affixing their signatures hereto this _____ day of _____, 2004.

Signed on behalf of:

**DETROIT DIESEL - ALLISON
BRITISH COLUMBIA**

**INTERNATIONAL ASSOCIATION OF
MACHINISTS & AEROSPACE
WORKERS, LODGE #692**

TEAMSTERS LOCAL UNION NO. 213

APPENDIX "A"

CLASSIFICATIONS AND WAGE RATES

| Classifications | Effective March 1, 2004 | Effective March 1, 2005 | Effective March, 2006 |
|--|------------------------------------|------------------------------------|----------------------------------|
| A. Mechanical Department | | | |
| Charge Hand (10% above Journeyman) | \$ 29.84 | \$ 30.44 | \$ 31.05 |
| Lead Hand (5% above Journeyman) | 28.48 | 29.05 | 29.63 |
| Toolmaker | 27.44 | 27.99 | 28.55 |
| Journeyman | 27.12 | 27.66 | 28.22 |
| Journeyman - 1st Class Welder | 27.47 | 28.02 | 28.58 |
| Intermediate Mechanic | 26.39 | 26.92 | 27.46 |
| Probationary Journeyman | 25.70 | 26.21 | 26.74 |
| Probationary Intermediate Mechanic | 25.70 | 26.21 | 26.74 |
| Specialist | 25.33 | 25.84 | 26.35 |
| General Laborer | | | |
| 0 - 90 days | 11.52 | 11.75 | 11.99 |
| 91 - 180 days | 12.95 | 13.21 | 13.47 |
| 181 - 365 days | 14.38 | 14.67 | 14.96 |
| 1 year | 15.82 | 16.14 | 16.46 |
| Student - First Summer | 7.82 | 7.98 | 8.14 |
| - Second Summer | 8.88 | 9.06 | 9.24 |
| - Third Summer | 10.37 | 10.58 | 10.79 |
| Apprentice Rates - Four Years | | | |
| 0 - 6 months 55% of Journeyman rate | 14.92 | 15.22 | 15.52 |
| 6 - 12 months 60% of Journeyman rate | 16.27 | 16.60 | 16.93 |
| 12 - 18 months 65% of Journeyman rate | 17.63 | 17.98 | 18.34 |
| 18 - 24 months 70% of Journeyman rate | 18.99 | 19.37 | 19.76 |
| 24 - 30 months 75% of Journeyman rate | 20.34 | 20.75 | 21.16 |
| 30 - 36 months 80% of Journeyman rate | 21.70 | 22.13 | 22.58 |
| 36 - 42 months 85% of Journeyman rate | 23.06 | 23.52 | 23.99 |
| 42 - 48 months 90% of Journeyman rate | 24.41 | 24.90 | 25.40 |
| B. Parts Department | | | |
| Working Foreman (10% above 5 - year Partsman) | 28.09 | 28.65 | 29.22 |

Lead Hand (5% above Employee normal wage rate)

| Classifications | Effective March 1, 2004 | Effective March 1, 2005 | Effective March 1, 2006 |
|-------------------------------|----------------------------|----------------------------|----------------------------|
| Partsman | | | |
| - over 5 years | \$ 25.53 | \$ 26.04 | \$ 26.56 |
| - over 4 years | 24.73 | 25.22 | 25.73 |
| - over 3 years | 24.35 | 24.84 | 25.33 |
| - over 2 years | 23.82 | 24.30 | 24.78 |
| - over 1 year | 23.21 | 23.67 | 24.15 |
| - over 90 days | 22.48 | 22.93 | 23.39 |
| - under 90 days | 21.02 | 21.44 | 21.87 |
| Janitor | 21.16 | 21.58 | 22.01 |
| Student - First Summer | 7.82 | 7.98 | 8.14 |
| - Second Summer | 8.88 | 9.06 | 9.24 |
| - Third Summer | 10.37 | 10.58 | 10.79 |
| Warehouseman | | | |
| 0 - 90 days | 11.52 | 11.75 | 11.99 |
| 91 - 180 days | 12.95 | 13.21 | 13.47 |
| 181 - 365 days | 14.38 | 14.67 | 14.96 |
| 1 year | 15.82 | 16.14 | 16.46 |

Note: March 1, 2004

Each full-time Employee, effective the date of ratification, shall be paid a lump sum payment as follows:

\$1,500.00

APPENDIX "B"

CLASSIFICATION DEFINITIONS

For the purpose of this Agreement, the various Classifications and conditions are defined as follows:

1. Working Foreman or Charge Hand

Supervises and coordinates activities of workers. Studies work schedules and estimates man-hour requirements for completion of job assignments. Relays and carries out Company policies to workers and enforces safety regulations. Originates job orders and assigns duties to workers. Establishes or adjusts work procedures to meet schedules using knowledge of capacities of man power, machines, equipment and tools. Recommends and carries out measures to improve methods, equipment performance and suggests changes in working conditions and use of equipment to increase efficiency of shop, department or work crew. Assists workers in solving work problems. initiates, approved and/or recommends plans to motivate workers to achieve work goals. May train new workers. Maintains time and production records. May estimate, requisition and inspect materials. May confer with other Working Foremen or Charge Hands to coordinate activities of departments. Is expected to be adept in the activities of the workers supervised.

It must be understood that these descriptions are general in nature because it would be impossible to list all situations which might arise during the work day. However, it is important that any Employee working as either a Working Foreman, Charge Hand or Lead Hand, or is not management, shall not be directly involved in the formal disciplinary process.

On the other hand, the other Employees must realize they are expected to do a fair day's work and should not act in a manner which might tend to provoke a Lead Hand, Working Foreman or Charge Hand into exceeding his responsibilities.

All written communications with our Branch Personnel when referring to Service and Parts Managers will now be referred to as Charge Hand and Working Foreman and they will continue to be a part of the bargaining unit. Where the Company feels it would be beneficial to have a branch Charge Hand or Working Foreman take a withdrawal from the bargaining unit, they will do so in writing indicating it is a management function and the responsibilities of that job.

2. Lead Hand

A worker who takes the lead and gives directions to workers in his group while performing the same duties as workers. Receives instructions and work specifications from Working

Foreman or Charge Hand and transmits them to workers. May record information such as time and production data. Is not responsible for releases, transfers, upgrading or disciplinary measures but may train new workers.

3. Tool & Die Maker

A Machinist who has acquired sufficient skill and knowledge to produce, repair and maintain, with or without drawings, tools, dies or jigs, or do appropriate development work on tools, dies or jigs.

4. Journeyman Welder - 1st Class

A Journeyman Welder 1st Class will be a ticketed Welder with the following British Columbia certifications:

(a) A.S.M.E. Certification: Grade A, Procedure AR -1, Position 6G as required by Detroit Diesel - Allison British Columbia.

(b) D.P.W. #1

(c) D.P.W. #4

5. Journeyman

A Journeyman must possess the ability and qualifications to carry out any work in this Trade as required by the Company with the aid of issued drawings or relevant information.

The Classification of Journeyman-Tradesman shall apply to those Employees who are or become Certified in their trade provided that they can fulfil the requirements of the International Association of Machinists and Aerospace Workers Constitution and the By Laws of Machinists Lodge # 692.

6. Intermediate Mechanic

An Employee who is in training toward Journeyman status who has yet to become Certified in the Mechanical Trade with either an Interprovincial Ticket or Trade Qualification ticket (B.C.).

These provisions are not to affect present Employees of the Company but shall be implemented and affect new Employees who are hired after this Agreement has been ratified.

7. Probationary Journeyman

An Employee whose ability and qualifications to carry out any work in his Trade are unknown to the Company at the time of employment. Three (3) months probationary period will allow him to train up to Journeyman standards, during which time he will become a Journeyman reclassified or terminated.

8. Probationary Intermediate Mechanic

An Employee whose ability and qualifications to carry out any work in his Trade are unknown to the Company at the time of employment. Three (3) months probationary period will allow him to train up to Intermediate Mechanic standards, during which time he will become an Intermediate Mechanic, reclassified or terminated.

9. Specialist

An Employee who is employed in some branch or subdivision of the Machinist Trade; or an Employee who performs some particular line of work commonly recognized as work connected with the Machinist Trade or the Metal Industry.

10. Resident Mechanic

The term "Resident Mechanic" shall be defined as a mechanic who is employed in a location where there is no Company premise established, and who performs work at designated customer sites. Where applicable, such mechanics shall be paid the off-premises premium and/or the isolation premium.

11. Apprentices

Each apprentice shall be rotated in all Departments, where applicable based on business requirements, to give total product knowledge.

Apprentices who come from the Vancouver Community College, which is a concentrated Diesel Course, will receive one (1) year's recognition on the apprenticeship rate scale contained in the Agreement (12 to 18 month level) for having completed the course.

When Apprentices attend authorized training classes in their trade during normal working hours, the Company will make up the difference between their regular rate of pay and any Government subsidies that the Apprentice may be in receipt of.

The following clarifications of work assignments are agreed to between the Company and the Union, provided that the Foremen or Charge Hand feels the apprentice is capable:

- (a) To perform start-up inspection on any new Detroit Diesel engine regardless of type of equipment.
- (b) To remove and replace lube oil and all filters.
- (c) To dismantle a complete engine or remove any parts from an engine and clean in preparation for reassembly by a Journeyman.
- (d) After an Apprentice has credit for three (3) years he shall be allowed to perform any work outside, without assistance, that may be assigned by the Foreman or Charge Hand.
- (e) The Apprentice shall also perform any other duties considered appropriate, with regard to his apprenticeship, by the Foreman or Charge Hand.
- (f) Apprentices can be required to take orders from the Journeyman with whom they are working as well as regular Company Supervisor.
- (g) Apprentice Ratio: The maximum number of Apprentices to Journeymen in the shop shall not exceed: 4 Journeymen - 1 Apprentice.

The above Apprentice ratio may be increased only on mutual agreement between the Parties to this Agreement and the Apprenticeship Branch of the Department of Labour of the province of British Columbia.

- (h) An Apprentice having served his required time at the trade, and having passed the necessary examinations, will automatically be classified as a Journeyman and paid rates and conditions as set out in this Agreement for the Journeyman Classification.

12. Partsman/Lead Hand

If a Partsman fills in for a Lead Hand due to sickness beyond five (5) consecutive working days or Holidays (minimum eight (8) hours), he will be paid his normal rate plus five (5) percent per hour.

13. Credit As Senior Partsman

- (a) An Employee put in charge of a Branch shall be classified and paid as a Working Foreman.
- (b) There shall be a minimum of one (1) Working Foreman employed on the day shift at each Branch.
- (c) There shall be a minimum of one (1) Lead Hand employed on the afternoon shift at each location except for Surrey where there shall be a Working Foreman employed on the afternoon shift.
- (d) Present Employees shall not receive less than their current overall rate of pay.

14. Parts Picker

A Parts Picker will generally perform duties involved in receiving, shipping binning and other warehouse duties. The Company may hire persons to work in the Warehouse as Parts Pickers who shall be paid the same rates as Partsman, but who will not exceed the rate of Parts man over three (3) years.

Parts Pickers when moving to Partsman category will continue to receive the applicable rate of pay determined by his length of service and if he is on the rate of Partsman Over Three (3) years he shall work one (1) year at that Classification before proceeding to a higher rate.

15. Warehouseman

Employees in the Warehouseman classification cannot be used to displace present Employees in the Partsman classification. Present Employees will not lose any rights, privileges or protection provided under this Agreement.

The job functions assigned to Warehousemen will be basic unskilled labour tasks which require no specialized training related to the technical application, usage or sales of parts.

More particularly, the job duties assigned to Warehousemen would include receiving, shipping, shelf stocking, parts picking, building and vehicle maintenance. In Branches, inventory counts will be included in job duties.

- (a) It is understood that the utilization of Employees in the Warehouseman classification can only be complementary to the Partsman classification. Warehouseman cannot be used to cover for Branch Working Foremen on any absence beyond three (3) weeks.
- (b) When covering for the Working Foreman, the Warehouseman will receive the pay rate of a Working Foreman as provided for in this Agreement.
- (c) In addition, the provisions of this section shall not apply if there is a Partsman on layoff willing and capable of performing the work available or if application of this provision would result in the layoff of a Partsman willing and capable of performing the work available.
- (d) It is understood that Warehousemen cannot be used to replace working Foremen at the Surrey Branch.

In the event of a layoff affecting the Parts Department Employees in a Branch of the Company's operations, no Employee hired prior to June 1, 1987 can be laid off unless and until all Warehousemen in the affected location have been laid off. A Partsman who is the subject of a layoff in one of the Company's locations can use his seniority rights under the Agreement to bump the least senior Warehouseman. In doing so the Partsman would retain his Partsman classification, wage rate and his overall Company seniority.

A Warehouseman's seniority rights in relation to layoff, recall and bumping can only be applied within the Warehouseman classification.

In relation to the Job Posting process, a Warehouseman can apply for another position within the Parts Department, at the entry level, provided that the Company is satisfied that he possesses the necessary qualifications for the posted job position.

The employment of Warehousemen within the Company's operations shall not exceed the following numbers or ratio:

Surrey - the number of Warehousemen shall not exceed five (5).

Cranbrook/Kamloops

- a maximum of two (2) Warehousemen until the number of Partsmen exceeds a total of four (4), then one (1) more Warehouseman can be employed.

All other Branches - one (1) Warehouseman.

The minimum number of Partsmen per Branch prior to hiring a Warehouseman in a particular Branch will be as follows:

Nanaimo, Campbell River, Penticton, - one (1) Working Foreman

Cranbrook - one (1) Working Foreman and one Partsman.

Kamloops - one (1) Working Foreman and two (2) Partsmen.

The Company may train warehousemen in other areas of the operations to determine their ability for advancement and to provide relief for annual vacations, other absences or to assist the existing Partsmen where required.

Employees working in the Parts Department in Surrey, prior to June 1, 1987, will be offered a minimum of sixteen (16) hours of overtime during each year of this Agreement. The Employee must accept and work the offered overtime to receive this overtime pay.

16. General Laborer

Employees in the General Laborer classification cannot be used to displace present Employees in any other classification. Present Employees will not lose any rights, privileges or protection provided under the Agreement.

The job functions assigned to the General Laborer classification will be basic unskilled labor tasks which require no specialized training.

More particularly, the job duties assigned to General Laborers would include building and vehicle maintenance. (e.g. washing or cleaning and adding and checking fluids).

A present Employee can bump the least senior General Laborer and would receive the Specialist wage rate. In the event that all General Laborer classification Employees are laid

off, all wage rates for Employees who bumped would revert to those based on using the existing provisions of this Agreement.

The employment of General Laborers shall be limited to four (4) Employees in any one (1) location.

17. Student

A student shall be defined as someone attending an educational institute on a regular full-time basis.

Students in the Mechanical department will be hired for shop cleanup etc. They will not be able to do the work of the other classifications

Students in the Parts department may be employed at Head Office for the purpose of filling and packing Branch and Dealer stock orders, perpetual counts, processing factory stock orders or during peak workload periods, provided that the employment of Students does not in any way interfere with or limit the scheduling of Partsmen on regular shifts or working overtime. Additional regular Partsmen may only be involved in the perpetual count on a regular shift basis.

In addition, students may also be employed for vacation and banked time relief but shall not exceed four (4) at any one time.

Students in the Parts Department will only be assigned Warehousemen duties.

An Employee hired under these provisions that no longer falls within the definition of a "Student" may be discharged and replaced by an accredited Student.

18. Guild and Training Provisions

1. Guild

- (a) All Mechanics and Partsmen must be Members of the appropriate Detroit Diesel/Allison Guild and will have an opportunity to write the qualifying examination after a one-year (1) waiting period for admittance to the Guild. Instruction courses to obtain membership in the Guild will be supplied by the Company. There shall be no remuneration for attendance at such instruction courses held outside regular working hours.
- (b) Mechanics and Partsmen may request to write both Guild examinations applicable to their classification where their particular job functions require knowledge of both Guilds and such request is approved by the Company.
- (c) All Guild members shall be required to review and maintain on their own time copies of product bulletins provided by the manufacturers.
- (d) Guild Members who obtain less than an 80% average, based on the three (3) Guild Examinations written each year, will be given an opportunity to rewrite a qualifying examination.
- (e) It is understood that opportunity for promotion from a lower classification, and including advancement between Lead Hand and Charge Hand, shall be based on an Employee's ability to pass the Guild Examinations and maintain the minimum Eighty (80%) percent average.
- (f) Passing of the above referred to examinations does not assure an automatic promotion to a journeyman and/or lead or charge hand, as the ability to perform the required work in the trade or classification is also a determining factor.

2. Training

- (a) It is to the mutual benefit of both Company and Employees that the Employee attend all courses and lectures as set out by the training staff of the Company and/or the manufacturers. Employees will be required to attend not more than three (3) courses, two (2) update meetings and six (6) general lectures in a calendar year.
- (b) The number of courses and lectures available in a given year and the number of Employees allowed to attend a given course or lecture will be at the discretion of the Company Training Department.
- (c) It is mutually understood that training or retraining can be more effective if coordinated on the basis of each individual's previous training, experience and ability to learn and retain product and mechanical knowledge, and to convey, where necessary, the functions encompassed by the training.
- (d) It is understood and agreed that employee training within a department shall be carried out in conjunction with employees' seniority based upon the following criteria:
 - (i) Customer requirements
 - (ii) Workload and availability of personnel
 - (iii) Potential opportunity for the trainee to utilize such training

The parties understand that without regard to the above the Company may first offer training where required to the working foreman and/or charge hand/lead hand responsible for the department.

- (e) Meals will be supplied by the Company when training sessions are held after the regular hours of work.
- (f) The Company will pay travel time at the straight time rate of pay when an Employee is attending training and driving a vehicle. The amount of travel time shall be in accordance with the table and destinations below.

It is further understood that Company will pay driving time, however, waiting time, or travel time on a public carrier, as defined in Article 15, subsection 15.06 (c) (i) will not be paid beyond the Employee's regular eight (8) hour work day.

Travel Time Allowed

| <u>Destination</u> | <u>Travel Time</u> |
|-----------------------------------|--------------------|
| Surrey to Kamloops | 3 1/2 hours |
| Kamloops to Surrey | 3 1/2 hours |
| Penticton to Surrey | 4 1/2 hours |
| Penticton to Kamloops | 3 hours |
| <u>Nanaimo to Surrey</u> | <u>1 1/2 hours</u> |
| <u>Nanaimo to Kamloops</u> | <u>5 hours</u> |
| <u>Campbell River to Surrey</u> | <u>3 hours</u> |
| <u>Campbell River to Kamloops</u> | <u>6 1/2 hours</u> |
| Cranbrook to Kamloops | 8 hours |
| Cranbrook to Surrey | 10 hours |

LETTER OF UNDERSTANDING

between

DETROIT DIESEL - ALLISON BRITISH COLUMBIA LTD.

and

**INTERNATIONAL ASSOCIATION OF MACHINISTS AND
AEROSPACE WORKERS LODGE #692**

and

TEAMSTERS LOCAL UNION NO. 213

Re: Vacation Entitlement - New Employees

This Letter of Understanding shall confirm the Agreement between the Parties with respect to Vacation Entitlement for New Employees hired subsequent to ratification of the Memorandum of Agreement between the Parties signed August 18th, 1993.

In accordance with the above all new Employees shall be entitled to vacation entitlements in accordance with following schedule and their service with the Company.

| Year of Continuous Service | Vacation Period | Vacation Pay |
|-----------------------------------|--|---------------------|
| Less than one year | 1 day for each month worked (max. 10 w/d) | 4% |
| 1 year less than 3 years | 2 weeks | 4% or 2 weeks |
| 3 years less than <u>8 years</u> | 3 weeks | 6% or 3 weeks |
| <u>8 years</u> less than 20 years | 4 weeks | 8% or 4 weeks |
| 20 years less than 25 years | 5 weeks | 10% or 5 weeks |
| 25 years and over | 6 weeks | 12% or 6 weeks |

It is understood and agreed that the above schedule shall replace the schedule in the Collective Agreement for new Employees only.

Signed this day of , 2004 on behalf of:

**DETROIT DIESEL - ALLISON
BRITISH COLUMBIA**

**INTERNATIONAL ASSOCIATION OF
MACHINISTS & AEROSPACE
WORKERS, LODGE #692**

TEAMSTERS LOCAL UNION NO. 213

LETTER OF AGREEMENT

DETROIT DIESEL - ALLISON BRITISH COLUMBIA

and

**INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS, LODGE #692**

KEMESS MINE SITE

This Letter of Understanding shall continue in effect until such time as Parties hereto mutually agreed to modify or discontinue the conditions contained herein.

1. Current employees will return to their original Branch when this position is completed.
2. Mechanics working at the mine site will be paid the Joruneyperson rate, plus the off premises premium of one dollar and seventy-five cents (\$1.75) per hour, plus an additional one dollar and fifty-five cents (\$1.55) per hour for shift premiums.
3. These Mechanics shall work a fourteen (14) day in and fourteen (14) day out schedule, which comprises one hundred and sixty-eight (168) hours. They will work and be paid twelve (12) hours per day at the above rates, overtime over above twelve (12) hour per day, and call-outs will be in accordance with the current Collective Agreement provisions. One hundred and sixty (160) hours of the shift rotation will be paid at straight time rates, and eight (8) hours at the applicable overtime rates.
 - (a) The Mechanics will live in the camp in the Camp at the mine site for the required work period at no cost to the Employees.
 - (b) The Mechanics shall also have the option of working in their home branch on their fourteen (14) days out at overtime rates for all hours worked if the Company requires their service.
4. The following will apply when travel to and from the mine site via Smithers or Prince George:
 - (a) The Company will arrange and pay for airfare from Vancouver or Kamloops to the mine site, and the Company will also pay the accommodation cost for overnight stay if required.
 - (b) On the Travel day to the mine site, the workday will be 6:00 a.m. to 6:00 p.m. When the Employee arrives at the mine site he shall commence work and work until the end of the shift.

- (c) On the Travel day from the mine site, the Employee shall be paid twelve (12) hours travel time, eight (8) hours at time and one-half (1 1/2) and four (4) hours at double time.
- (d) If the Employee cannot travel to or from the mine site, because of weather conditions or other reasons beyond the control of the Employee, and is required to stay overnight, the Employee shall be paid twelve (12) hours layover time at straight time rates provided the Employee does not work.

5, **Statutory Holiday Pay Calculation**

- (a) When an Employee is on his fourteen (14) days off, twelve (12) hours at straight time will be paid.
- (b) When an Employee is on his fourteen (14) day work schedule, the Employee will be paid twelve (12) hours at straight time rates for the holiday, and overtime rates for hours worked on such day, in accordance with the provisions of the current Collective Agreement.

6. All provisions of the current Collective Agreement shall apply to these Employees and the provisions herein are the only specific condition with regard to work performed in accordance with this Letter of Agreement.

Dated this _____ day of _____, 2004.

On behalf of:

**DETROIT DIESEL - ALLISON
BRITISH COLUMBIA**

**INTERNATIONAL ASSOCIATION
OF MACHINIST AND AEROSPACE
WORKERS, LODGE #692**
